

**RESOLUTION NO. 2018-52**

**A RESOLUTION OF THE MAYOR AND VILLAGE COUNCIL OF THE VILLAGE OF KEY BISCAYNE, FLORIDA, SELECTING EMPOWER RETIREMENT (AKA GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY AND ITS SUBSIDIARY, ADVISED ASSETS GROUP, LLC) FOR ADMINISTRATIVE, RECORDKEEPING, ADVISORY AND OTHER SERVICES RELATING TO THE VILLAGE'S RETIREMENT PLAN; PROVIDING FOR AUTHORIZATION; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, the Village of Key Biscayne (the "Village") desires to engage a company to provide administrative, recordkeeping, advisory and other services relating to the Village's retirement plan (the "Services"); and

**WHEREAS**, after careful review and consideration, the Village Manager recommends selecting Empower Retirement (AKA Great-West Life & Annuity Insurance Company and its subsidiary, Advised Assets Group, LLC (Collectively, referred to as the "Consultant")) for the Services; and

**WHEREAS**, the Village finds that this Resolution is in the best interest and welfare of the residents of the Village.

**NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND VILLAGE COUNCIL OF THE VILLAGE OF KEY BISCAYNE, FLORIDA, AS FOLLOWS:**

**Section 1.     Recitals.** Each of the above-stated recitals are hereby adopted, confirmed, and incorporated herein.

**Section 2.     Selection.** The Village Council hereby selects the Consultant for the Services.

**Section 3.**     **Authorization.** The Village Manager is hereby authorized to execute the agreement(s) with the Consultant, in substantially the form attached hereto as Exhibit "A," subject to the Village Attorney's approval as to form, content and legal sufficiency. The Village Manager is also hereby authorized to implement the intent and purpose of this Resolution including termination of the current provider.

**Section 4.**     **Effective Date.** This Resolution shall take effect immediately upon adoption.

PASSED and ADOPTED this 4<sup>th</sup> day of December, 2018.

  
MICHAEL W. DAVEY, MAYOR

ATTEST:

  
JENNIFER MEDINA, CMC  
VILLAGE CLERK



APPROVED AS TO FORM AND LEGAL SUFFICIENCY

  
VILLAGE ATTORNEY

# EXHIBIT A



## Empower retirement advisory services agreement

This Empower Retirement Advisory Services Agreement (this "Agreement") is entered into as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_ by the Village of Key Biscayne (the "Plan Sponsor") and Advised Assets Group, LLC ("AAG"), located at 8515 East Orchard Road, Greenwood Village, Colorado 80111.

### **RECITALS**

Whereas, the Plan Sponsor has established defined contribution plans under the Internal Revenue Code (each a "Plan"); and

Whereas, the Plan Sponsor has selected Great-West Life & Annuity Insurance Company or Great-West Life & Annuity Insurance Company of New York (individually or collectively "Great-West"), to provide administrative, recordkeeping, and other services to the Plan as set forth in the service agreement between the Plan Sponsor and Great-West ("Service Agreement"); and

Whereas, AAG, a wholly owned subsidiary of Great-West, makes available investment guidance, advisory, and discretionary managed account services ("Services") to defined contribution plan participants; and

Whereas, AAG has selected an Independent Financial Expert ("IFE") pursuant to Department of Labor Advisory Opinion 2001-09A issued on December 14, 2001 to provide such services to AAG for use under Services; and

Whereas, the IFE has developed a methodology and proprietary software and technology used to provide participant level investment advice and discretionary managed account services; including personalized Internet-based guidance, investment advisory services, and discretionary managed account services with respect to investment choices held within defined contribution plans; and

Whereas, the Plan Sponsor desires to make Services available to participants ("Participants") in the Plan pursuant to the terms outlined in Appendix A, attached hereto and incorporated herein; and

Now therefore, the parties hereto, in consideration of the mutual covenants and representations herein contained, do hereby agree as follows:

### **TERMS**

#### **ARTICLE 1: SELECTION**

Plan Sponsor hereby agrees to retain AAG as investment adviser to the Plan to provide the services selected on Appendix A, as described in Article 2. By utilizing the Services described herein, the Plan Sponsor agrees to be bound by the terms and conditions of this Agreement.

#### **ARTICLE 2: SERVICES**

**2.1** AAG will make available Services to Participants in accordance with Appendix A. Services include Online Investment Guidance, Online Investment Advice, and the Managed Account service as described in Appendix A.

Under Services, AAG does not provide advice for, recommend allocations of, or provide management services for individual stocks, self-directed brokerage accounts, guaranteed certificate funds, or employer-directed monies. A Participant's balance in employer-directed monies or transfer-restricted funds may be liquidated or transferred. AAG may not recognize certain types of transfer restrictions as applicable to adviser-initiated transfers. Participants may be required to liquidate the above-referenced funds prior to or as a condition of enrolling in Managed Accounts, subject to Plan and/or investment provider restrictions.

The Plan must select and at all times maintain Core Investment Options that cover the following broad asset categories in order to utilize the Online Investment Advice and the Managed Account Service under Services: Fixed Income/Cash, Bond, Large Cap, Small/Mid Cap, and International. The asset classes and Core Investment Options must meet the requirements of the IFE which may be amended from time to time. Should the requirements of the IFE not be met, AAG and the IFE have the right to suspend Services until the requirements of the IFE are satisfied. The IFE is solely responsible for determining the adequacy of exposure to the aforementioned asset classes and for determining the core asset class exposures needed for the provision of Online Investment Advice and the Managed Accounts Service.



AAG will, on an ongoing basis, review the methodology and services of the IFE and integrate the Plan's Core Investment Options into Services. AAG may make available to the Plan Sponsor certain periodic written reports related to Services.

Plan Sponsor agrees to provide or to assist AAG in obtaining all participant data that is necessary to perform its duties under this Agreement, including but not limited to: date of birth, income, gender, and state of residence.

**2.2** Plan Sponsor hereby authorizes AAG to make Services available to Participants in accordance with Appendix A, using Participant information provided to AAG by Participants, the Plan Sponsor or its agents, and/or AAG's affiliates. Plan Sponsor acknowledges and agrees that Services will be provided by AAG based on the methodology and proprietary software provided by the IFE.

**2.3** The Plan Sponsor understands, acknowledges and agrees that, unless otherwise specified, the Plan Sponsor's election under this agreement to offer the Services applies only to the Plan, rather than to other plans sponsored by the Plan Sponsor that may have investment lineups similar to the Plan.

**2.4** Plan Participants shall pay all AAG fees, in accordance with the terms outlined in Appendix A, for the respective services utilized. Plan Sponsor authorizes Great-West to collect these fees on behalf of AAG and to deduct fees from Plan Participant accounts that enroll in Services and become actual users, in accordance with Appendix A.

**2.5** AAG has authorized GWFS Equities, Inc. ("GWFS") and its licensed agents and registered representatives who are Great-West employees (collectively referred to as "Solicitors") to solicit, refer and market AAG's advisory services to potential and current investment advisory clients. GWFS is a Broker/Dealer, registered with the SEC and is an affiliate of AAG. The registered representatives of GWFS are employees of Great-West. AAG and GWFS, are wholly-owned subsidiaries of Great-West. In addition to their salary, Solicitors registered with GWFS and employed by Great-West, may earn additional bonus compensation for soliciting, referring and marketing AAG's advisory services.

**2.6** AAG may provide additional services pursuant to instruction or direction from the Plan Sponsor. Any fees for such additional services will be agreed upon by AAG and the Plan Sponsor prior to the provision of additional services.

### **ARTICLE 3: REPRESENTATIONS AND WARRANTIES**

**3.1** Both Parties. Each party hereto represents, warrants and consents that (a) it is authorized to enter into and perform its obligations under this Agreement; (b) any actions by, or filings with, any governmental body required for the party to enter into and perform its obligations under this Agreement have been taken or made or will be taken or made when required; (c) entering into and performing its obligations under this Agreement does not violate any applicable law, rule or regulation or its organizational documents or any other binding instrument; (d) this Agreement has been duly executed and delivered; and (e) it will perform its obligations in compliance with all applicable laws, rules and regulations.

#### **3.2** AAG

(a) AAG represents that it is registered as an investment adviser under the Investment Advisers Act of 1940 ("Advisers Act").

(b) AAG acknowledges and agrees that it is an investment adviser and fiduciary under the Advisers Act and is a fiduciary under the Employee Retirement Income Security Act of 1974, as amended ("ERISA") to the extent it provides Online Investment Advice to Participants.

(c) AAG acknowledges and agrees that it is an investment adviser and fiduciary under the Advisers Act and is an investment manager (as defined under Section 3(38) of ERISA) to the extent it provides the Managed Account Service to Participants.

(d) AAG represents that the IFE is not affiliated with AAG or Great-West and that AAG has entered into an agreement with the IFE. AAG's agreement with the IFE includes representations that the IFE: (i) is registered as an investment adviser under the Advisers Act, and (ii) will maintain the required federal or state investment advisory registrations that permit it to perform its obligations under its agreement with AAG, and (iii) will act, at all times in providing the methodology and software for AAG's suite of advisory services (the "Program") in conformity with the requirements imposed upon an IFE as described in the Advisory Opinion 2001-09A issued on December 14, 2001 by the U.S. Department of Labor (the "DOL") and any modifications or amendments thereto, to the extent that the Advisory Opinion is applicable to the operation of the Program.



**3.3 Plan Sponsor.** Plan Sponsor represents that it is the Plan fiduciary with the authority to execute this Agreement on behalf of the Plan and its Participants and commit to the terms of this Agreement. Plan Sponsor, by itself and on behalf of the Plan, represents and acknowledges that it has received and read AAG's Form ADV Part II (or equivalent), consistent with Rule 204-3 of the Advisers Act. Plan Sponsor acknowledges that the Core Investment Options offered through the Plan(s) were chosen by the Plan Sponsor or its advisor and not by AAG, Great-West, or the IFE.

#### **ARTICLE 4: TERM, TERMINATION, & SUBSTITUTION OF IFE**

**4.1 Term and Termination of this Agreement.** This Agreement shall be effective as of the date stated above (the "Effective Date") and continue in force for three years from the Effective Date ("Initial Term"). This Agreement shall renew automatically for successive one (1) year terms ("Renewal Term(s)") unless one party provides the other party with written notice of its intent not to renew the Agreement no less than ninety (90) days prior to the end of the Initial Term or any subsequent Renewal Term. This Agreement may be terminated prior to the end of the Initial Term or any Renewal Term in the following circumstances:

- (a) Plan Sponsor may terminate this Agreement upon written notice to AAG if Plan Sponsor determines in good faith that the Agreement is not consistent with its fiduciary duties under ERISA, if applicable, or applicable state law;
- (b) In the event that Plan Sponsor terminates its Service Agreement with Great-West, or the Service Agreement expires pursuant to its own terms, this Agreement shall automatically terminate, effective on the same date the Service Agreement between Plan Sponsor and Great-West terminates or expires; or
- (c) AAG may terminate this Agreement under the conditions set forth in Section 4.2; or
- (d) Either may terminate this Agreement without cause upon ninety (90) days written notice to other party.

Upon termination of this Agreement for any reason, all Actual Users, as defined in Appendix A, will be immediately restricted from using Services.

**4.2 Substitution of the IFE.** During the term of this Agreement, AAG reserves the right to replace the IFE in its sole discretion. AAG will promptly notify the Plan Sponsor of any such change. In such event, a replacement Appendix A will be provided to Plan Sponsor, if, in AAG's sole discretion, a replacement Appendix A is deemed necessary. In the event AAG is unable to contract with a suitable replacement IFE, this Agreement shall automatically terminate upon written notice to the Plan Sponsor.

#### **ARTICLE 5: CONFIDENTIALITY**

**5.1 AAG and the IFE's Confidential Information.** Plan Sponsor acknowledges that information regarding AAG, the IFE, and Services including, without limitation, the databases, hardware, software, programs, engine, protocols, models, displays and manuals, including, without limitation, the selection, coordination, and arrangement of the contents thereof are intellectual property and trade secrets, proprietary to AAG and/or the IFE, as applicable, and constitute "Confidential Information." Plan Sponsor acknowledges that all nonpublic information regarding the business and affairs of AAG and the IFE including, but not limited to, business plans, agreements with third parties, fees, services, customers, and finances, constitute Confidential Information.

**5.2 Plan Sponsor's Confidential Information.** All nonpublic information regarding the Plan, the business and affairs of the Plan Sponsor, all Plan Sponsor intellectual property and all personal information of Participants including, but not limited to, the names, addresses, social security numbers, financial information and compensation data of the Participants, learned by AAG or the IFE in the performance of this Agreement constitutes Confidential Information of the Plan Sponsor. Notwithstanding the foregoing, AAG may provide nonpublic information it learns about Participants to the Plan Sponsor and the plan provider for reporting purposes.



**5.3** Non-Confidential Information. Anything in this Agreement to the contrary notwithstanding, except with regard to personal information of Participants, the term "Confidential Information" does not include information regarding a party which (i) was, is or becomes generally available to the public other than as a result of a disclosure by the receiving party or any of its affiliates, agents or advisors, (ii) was or becomes available to a party or its affiliates from a source other than the disclosing party or its affiliates or advisors, provided that such source is not bound by a confidentiality agreement for the benefit of the disclosing party, (iii) was within a party's possession prior to being furnished by or on behalf of the other party provided that the sources of such information were not covered by a confidentiality agreement in favor of the party owning the confidential information, provided such confidentiality agreement was known to the receiving party at the time the information is obtained.

**5.4** Treatment of Confidential Information. Confidential Information will be used by a party in connection with the performance of its obligations under this Agreement. Each party will receive the Confidential Information in confidence and not disclose it to any third party except as may be necessary to perform its obligations under this Agreement, to review or evaluate the services provided or as required by law or as agreed to in writing by the other party. Each party further agrees to take or cause to be taken all reasonable precautions to maintain the secrecy and confidentiality of the Confidential Information. Neither party may disclose, and shall make reasonable efforts to prevent the disclosure of, any part of the Confidential Information to another person except as permitted by this Article 5. Confidential Information may be disclosed to a party's directors, officers, employees, consultants, representatives, and the Plan's recordkeeper (each a "Representative") who need to know in order to further the purposes and intent of this Agreement. Disclosure of Confidential Information may be made to such Representative only after the Representative has been informed of the confidential nature of such information and has agreed to be bound by the terms of this Agreement's confidentiality provisions.

#### **ARTICLE 6: MISCELLANEOUS**

**6.1** Notwithstanding anything else contained herein, this Agreement may be amended, supplemented or restated only with the written consent of both parties. The parties agree that they will amend, supplement or restate this Agreement as necessary to comply with changes to applicable law, as amended from time to time. For the purposes of this Section 6.1, "written consent of both parties" shall be deemed to include electronic mail transmissions only if such transmissions include PDF or other facsimile transmissions clearly reproducing the manual signature of an officer of each party who is authorized to execute an amendment of this Agreement and specifically referencing this Section of this Agreement.

**6.2** This Agreement and its Appendices constitute the entire agreement between the parties relating to the subject matter hereof.

**6.3** This Agreement will be governed by, and interpreted according to, Colorado law without regard to its conflict of law principles, except to the extent it may be preempted by federal law.

**6.4** Plan Sponsor acknowledges that neither AAG nor Great-West makes any representation concerning the tax treatment regarding an election by a Plan Sponsor to pay (or have the Plan or Participant pay) for Services.

**6.5** AAG is not liable for any losses a Participant may incur if the value of his or her account should decrease related to the Participant's use of any component of Services and/or the Participant's investment decisions in following, or not following, any investment advice produced through Services except as provided in Section 6.7.

**6.6** Plan Sponsor or its designee, including any third parties retained by Plan Sponsor, shall provide all data and information necessary for AAG's performance of the Services in a manner and format acceptable to AAG. Plan Sponsor agrees that AAG shall be entitled to fully rely upon the accuracy and completeness of data and information submitted by the Plan Sponsor to AAG, and that AAG will have no duty or responsibility to verify such data or information. AAG is not liable for any losses or claims to a Participant's account that are a result of inaccurate data provided from the Plan Sponsor to AAG.

**6.7** Neither party shall be liable for any delay or failure to perform its obligations (other than a failure to comply with payment obligations) hereunder if such delay or failure is caused by an unforeseeable event beyond the reasonable control of a party, including without limitation: act of God; fire; flood; earthquake; labor strike; sabotage; fiber cut; embargoes; power failure, e.g., rolling blackouts, electrical surges or current



fluctuations; lightning; supplier's failures; act or omissions of telecommunications common carriers; material shortages or unavailability or other delay in delivery; lack of or delay in transportation; government codes, ordinances, laws, rules, regulations or restrictions; war or civil disorder, or act of terrorism.

**6.8** Indemnity and Limitation of Liability.

(a) AAG agrees to indemnify the Plan Sponsor and the Plan, hold each of them harmless and defend each of them from any Liability (as defined below) directly resulting from either the following: (i) any breach of fiduciary duty by AAG; (ii) AAG's material nonperformance of its obligations under this Agreement or (iii) negligence or willful misconduct by AAG or the IFE, to the extent that such Liability is not caused by the Plan Sponsor's breach of this Agreement, or caused by or attributable to an act or omission, negligence or willful misconduct of the Plan Sponsor or a Participant user.

(b) The Plan Sponsor agrees to indemnify AAG and its Representatives, hold them harmless and defend them from any Liability directly resulting from either or both of the following: (i) any breach of fiduciary duty by the Plan Sponsor; or (ii) the Plan Sponsor's material performance or nonperformance of its obligations under this Agreement.

For purposes of this Section 6.8, "Liability" means liability, damages, losses, and expenses, including reasonable attorneys' fees.

Neither party will be responsible to the other party for any Liability attributable to an act or omission of a Participant user, the other party, or a third party. NO PARTY WILL BE LIABLE FOR ANY CONSEQUENTIAL, SPECIAL, INCIDENTAL, INDIRECT OR PUNITIVE DAMAGES, EVEN IN THE EVENT OF A FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY OR IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

Each party's indemnity extends to the other party's fiduciaries, agents, directors, officers, trustees, custodians and employees. Either party's indemnity obligations will be reduced to the extent that its ability to manage the claim is materially harmed by any failure of the other to give prompt notice of the claim, complete information and reasonable assistance to defend or settle the claim. The indemnity does not cover any Liability for which the indemnified party actually receives reimbursement or indemnification from another person, including under a liability insurance policy. Any finding that any aspect of this indemnification provision is unenforceable by operation of law will not affect any other portion of this provision.

**6.9** If any provision of this Agreement is invalid or unenforceable, the remainder of the Agreement will remain in effect.

**6.10** Except as specifically provided herein, neither party may assign any of its rights or obligations under this Agreement without the written consent of the other party, which will not be unreasonably withheld or delayed. This Agreement will bind and inure to the benefit of the parties as well as their permitted successors and assigns.

**6.11** The failure of a party to enforce any provision or obligation of this Agreement will not constitute a waiver of the provision or obligation or of any future obligation. A party's delay or failure in performance resulting from causes or conditions beyond its reasonable control will not constitute a breach or default.

**6.12** Notices will be in writing and sent to the address specified in this Agreement or to any new address the party has supplied.

**6.13** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original instrument, but all of which counterparts together shall constitute one and the same instrument. Transmission by facsimile of an executed counterpart signature page hereof by a party hereto shall constitute due execution and delivery of this Agreement by such party.

**6.14** AAG currently maintains an Errors and Omission Liability Insurance policy in the amount of \$5,000,000 in the aggregate.



Morningstar Investment Management LLC

22 West Washington Street  
Chicago  
Illinois 60602

Telephone: +1 312 696-6000  
Facsimile: +1 312 696-6001

**Date: June 1, 2016**

**Re: Safe Harbor Certification for the Secure Foundation Products**

Morningstar Investment Management LLC is a registered investment adviser and wholly owned subsidiary of Morningstar, Inc. We are a leading independent provider of asset allocation, manager selection, and portfolio construction services. Morningstar Investment Management is known for our innovative academic research and ability to create customized investment advisory solutions designed to help investors meet their goals.

We act as an "independent financial expert" for the participant advisory services program offered by Advised Assets Group. Our role as independent financial expert is to provide the methodology that makes investment allocations for participants.

In connection with these services, we analyze on a periodic basis whether the Great-West SecureFoundation Guaranteed Lifetime Withdrawal Benefit products (the SecureFoundation GLWBs) may be an appropriate vehicle in which to invest a participant's assets.

We have reviewed the SecureFoundation GLWB products, and we believe, as of the date of this letter:

- Great-West Financial is able, at the time of the plan's selection of the SecureFoundation GLWB products, to make all future payments under the SecureFoundation GLWB products, and
- The cost of the SecureFoundation GLWB products appears reasonable in relation to the benefits and services to be provided under the SecureFoundation GLWB products.

In making this assessment, we have:

1. Considered general annuity product features similar to the SecureFoundation GLWB products that are available to defined contribution plans in the broad marketplace; and
2. Considered information sufficient to assess the ability of Great-West Financial to make all future payments under the annuity contract for the SecureFoundation GLWB products; and
3. Considered the cost (including fees and commissions) of the annuity contract for the SecureFoundation GLWB products in relation to the benefits; and administrative services to be provided under the SecureFoundation GLWB products; and
4. Considered whether, at the time of the plan's selection of the SecureFoundation GLWB products, Great-West Financial is financially able to make all future payments under the SecureFoundation GLWB products and whether the cost of the SecureFoundation GLWB products is reasonable in relation to the benefits and services to be provided under the contract; and
5. We believe we are a knowledgeable expert about investments, including annuity investments, and have appropriately considered information relevant to the four items described above.

"Time of selection" as used above means the time that Great-West Financial is selected to provide annuity contracts at future dates to participants or beneficiaries.

We will periodically review the conclusion above, taking into account the factors described in paragraphs 1 through 4.

We have not reviewed the appropriateness of the conclusion described in paragraph 4 with respect to any annuity contract purchased for any specific participant or beneficiary. We have not engaged in a specific search for the purpose of identifying and selecting other third party providers from which to purchase annuities.

Sincerely,

Morningstar Investment Management LLC





**Item 1 – Cover Page**

**ADVISED ASSETS GROUP, LLC**

**Disclosure Brochure for:**

**Online Investment Guidance,  
Online Investment Advice, &  
Managed Account Service  
&  
Empower Retirement IRA**

8515 East Orchard Road  
Greenwood Village, CO 80111

Telephone for Participants in Employer-Sponsored Retirement Plans:	844-302-2448
Telephone for Account Holders of the Empower Retirement IRA:	866-317-6586

March 26, 2018

This Brochure provides information about the qualifications and business practices of Advised Assets Group, LLC ("AAG"). Specifically, this Brochure provides information on the advisory services provided by AAG and sub-advised by Morningstar Investment Management, LLC ("Morningstar Investment Management"). If you have any questions about the contents of this Brochure, please contact us at 844-302-2448. The information in this Brochure has not been approved or verified by the Securities and Exchange Commission ("SEC") or by any state securities authority.

AAG is a registered investment adviser. Registration of AAG does not imply any level of skill or training. The oral and written communications of AAG provide you with information about which you determine to hire or retain AAG. Additional information about AAG is available on the SEC website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 – Material Changes**

This section of the Brochure highlights and discusses any changes that were made since AAG's last update dated September 18, 2017. This Brochure was updated to provide information clearly and concisely. There were no material changes to this Brochure from its last filing.

Additional information about AAG is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any person affiliated with AAG who is registered, or are required to be registered, as an investment adviser representative with AAG.

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#### **Item 4 – Advisory Business**

##### **Description of Advisory Firm**

AAG is, and has been a registered investment adviser since 2000 and submits notice filings with state securities divisions in all 50 states, the District of Columbia, Guam, US Virgin Islands and Puerto Rico. AAG contracts with the plan sponsor of employer-sponsored retirement plans (including 401(a), 401(k), 403(b) and 457 plans) to provide investment management and advisory services to participants within the plan. The plans for which AAG provides services receive recordkeeping services through the recordkeeping entity affiliated with AAG. AAG additionally makes available a suite of services to all account holders of the Empower Retirement IRA ("IRA account holder", "account holder" or "individual"). More information - including an applicable Brochure - for all of the services offered by AAG can be obtained by contacting AAG at the number provided on the cover page of this Brochure or by visiting AAG's website at: [www.advisedassetsgroup.com](http://www.advisedassetsgroup.com). AAG's principal place of business is located in Greenwood Village, CO.

##### **Types of Services**

AAG provides a full range of direct account holder-level and participant-level investment services (the "Services") and indirectly through private-label arrangements with institutional partners. The Services include Online Investment Guidance ("OIG"), Online Investment Advice ("OIA") and the Managed Account service as well as Spend-Down Advice, Financial Planning Service and Retirement Income Projection Tools and Services. AAG provides its Services through a proprietary, computer-based software program, developed and maintained by Morningstar Investment Management.

There is no guarantee provided by any party that participation in any of the Services will result in a profit or that the related account will outperform a self-managed portfolio invested without assistance.

##### **Morningstar Investment Management LLC**

Morningstar Investment Management is a registered investment adviser wholly-owned by Morningstar, Inc. and is not affiliated with AAG or any company that is affiliated with AAG. Morningstar Investment Management is located in Chicago, IL and a copy of their Form ADV Part 2A brochure may be obtained at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Morningstar Investment Management serves as an independent financial expert ("IFE"), in accordance with the Department of Labor *SunAmerica* Advisory Opinion 2001-09A, dated December 14, 2001 (the "SunAmerica Opinion"). The plan, plan sponsor, plan fiduciary or IRA provider must select and maintain at all times investment options that cover broad asset categories. The investment options selected for the plan or IRA generally consists of a broad range of asset classes. For example, mutual funds in the fixed income/cash alternatives, bond, large cap, small cap, small/mid cap and international asset classes called "investment options" some of which may be proprietary funds of AAG's affiliated investment company, Great-West Funds, Inc. or funds advised by AAG's affiliated investment adviser Putnam Investment Management, LLC. More information is provided in Item 10 – Other Financial Industry Affiliations. Item 8 of this Brochure discusses the general risks of investing; such risks associated with the investment options can vary significantly with each particular investment category and the relative risks of categories may change. Accordingly, AAG may make changes from time to time with regard to the availability of certain investment options. The fees, risks, plan sponsor/plan provider/participant/account holder responsibilities and limitations for each of these services are discussed in greater detail in this Brochure. Fees and expenses are also fully explained in the respective prospectus and Statement of Additional Information materials which accompany each investment option, as applicable.

Certain of AAG's Services rely on Morningstar Investment Management's proprietary methodology which is based on a review of available quantitative data to analyze and screen the investment options within a plan. Morningstar Investment Management also applies qualitative analysis by investment professionals, such as evaluations of investment managers, portfolios and individual investments. The primary sources of information used by Morningstar Investment Management are the extensive databases and methodologies of Morningstar Investment Management and/or its affiliates, and interviews with investment managers. Other sources include financial publications, annual reports, prospectuses, press releases, and filings with the SEC. Morningstar Investment Management combines this information with other factors—including actuarial data, stock market exposure, probability analysis, and mean-variance optimization—into a proprietary software program to analyze a complex set of market data and variables. The result is an advanced model that can provide investment recommendations and a projection of different outcomes. Using this model, Morningstar Investment Management develops an investment strategy tailored to your investment goals.

##### **1. Online Investment Guidance Service**

AAG's OIG service developed by Morningstar Investment Management provides participants in participating plans with access to sophisticated but easy-to-use online account planning, advisory and analytical tools that assist the participant/account holder in selecting their own asset classes and building a diversified portfolio. Using OIG, participants/account holders are provided with general asset allocation information based on the investment options that are available within the participant's plan or are available in the Empower Retirement IRA. In addition, with OIG a participant/account holder can receive an objective savings rate recommendation that may assist the participant in achieving his/her retirement goals. OIG does not provide fund-specific recommendations.

##### **2. Online Investment Advice Service**

AAG's OIA service is also based on the software program developed by Morningstar Investment Management and provides the participant/account holder with retirement goal forecasting advice and fund-specific asset allocation recommendations tailored to the specific participant's/account holder's financial situation and retirement goals. OIA is geared for individuals who wish to manage their own retirement account with the assistance of the OIG service tools and investment advice.

OIA provides the participant/account holder with a retirement goal forecast through the use of various assumptions and hypothetical financial and economic scenarios based on a variety of different factors such as historic returns, market volatility, cross-correlations, calculated risk premiums, interest rate fluctuations, inflation and market conditions and other factors; all of which have limitations, however. The individual can interact with OIA to see how changes in the individual's decisions about their savings, expected retirement age, level of investment risk and retirement income goal may affect the system's forecast. Participants/account holders who enroll in OIA are responsible for determining the portfolio allocation that is best suited for their needs and which meets their investment strategy.

The investment recommendations provided by OIA are limited to the available investment options within the participant's specific retirement plan or in the Empower Retirement IRA. OIA does not make any recommendations concerning investing in any individual stocks or other asset classes, including employer stock that may be an investment option under the participant's retirement plan.

#### **Participant/IRA account holder Responsibilities**

Participant/account holders are responsible for making their investment decisions and may implement OIA recommendations either online or by phone. Participants/account holders are also solely responsible for reviewing and updating the information they input in the OIA service with respect to the completeness, accuracy and timeliness of the information. Participants/account holders should review their retirement accounts periodically to monitor changes in the market and the value of their investments. A failure by an individual to review and update their account information through OIA may materially affect the content and value of the service.

#### **Limitations on the Online Investment Guidance and the Online Investment Advice Services**

The recommendations provided through OIA and the information provided through OIG are estimates only based on the responses or other information provided by or about the participant/account holder. Neither AAG nor Morningstar Investment Management make any guarantees or warranties, express or implied, as to the accuracy, timeliness, or completeness of such information. The OIA and OIG services are also subject to the general market and financial conditions existing at the time of such usage.

The retirement goal forecast and investment recommendations provided by OIA and the information provided through OIG are not a guarantee of future results and are not a guarantee that a participant/account holder will achieve their retirement goals. OIA and OIG should only be used by participants/account holders as a tool in their retirement planning and not as a substitute for their own informed judgment. Neither AAG nor Morningstar Investment Management has an obligation to update any information for a specific individual or to proactively contact the individual to obtain updated information. A failure by an individual to review and update account information through OIA and OIG may materially affect the content and value of services received from AAG.

### **3. Managed Account Service**

AAG offers a discretionary managed account service ("Managed Account" or "MA service"), a professional and flexible asset management program based on data resulting from the methodologies and proprietary software program developed and employed by Morningstar Investment Management. In the MA service, AAG has discretionary authority over the allocation of available investment options, without prior participant/account holder approval of each transaction. All ongoing investment transfers and investment direction changes are implemented for individuals enrolled in the MA service.

The MA service designs a specific asset allocation portfolio for the participant/account holder that reflects the individual's retirement goals, life stages, specified risk constraint and overall financial situation, taking into consideration plan or IRA assets, and other assets and investments not included within the plan or IRA if provided by the individual specific to their account.

On a periodic (approximately quarterly) basis, individual accounts in the MA service are re-forecasted, which may include rebalancing and reallocating the individual's asset allocation portfolio in order to maintain alignment with the allocation percentages determined by Morningstar Investment Management through the use of various assumptions and hypothetical financial and economic scenarios based on a variety of different factors such as historic returns, market volatility, cross-correlations, calculated risk premiums, interest rate fluctuations, inflation, market conditions, and the personal financial circumstances of the participant/account holder. Participants/account holders receive an account update and forecast statement annually and can update their personal information at any time by calling AAG at their plan's toll-free customer service number, or by visiting the appropriate website. Some plan providers may offer a guaranteed lifetime benefit withdrawal option to plan participants who are approaching retirement or are in retirement. If the plan provider may offer this service and if the participant meets the retirement criteria established by the plan provider or plan sponsor, the investment strategy may include a suggested amount that can be withdrawn while striving to maintain income throughout retirement. It may also include information about allocating a portion of the managed account balance for the purchase of an annuity or other guaranteed income product.

#### **Limitations on the Managed Accounts Service**

When participants/account holders enroll in the MA service, the individual must transfer and allocate their entire retirement account balance to the Managed Account. For participants, there is an exception of employer stock and employer directed monies. Partial management of a participant's/account holder's account whereby the individual is invested in other investment options, such as individual stocks, other asset classes outside of the available investment options, or self-directed brokerage accounts while also participating in the MA service is not an available alternative. Participant/account holder balances in any of these investment options or vehicles must be liquidated, subject to plan and/or



investment provider restrictions, or the participant/account holder cannot be enrolled in the MA service. For participants, certain outside non-advisable assets may be permitted while also participating in the MA service; however, the participant's entire account balance that is advisable must be allocated to the MA service.

Once enrolled in the MA service, participants/account holders delegate certain account management functions to AAG including functionality for fund-to-fund transfers, change fund allocations, the dollar cost averaging tool and/or the rebalancer tool. However, individuals in the MA service retain full inquiry access to their account and may still request approval for loans or take a distribution withdrawal, if permissible. Participants/account holders may un-enroll at any time from the MA service and, once they do so, they resume full responsibility for the investment management of their account. An individual may un-enroll online or by contacting an AAG investment adviser representative.

#### **4. Spend-Down Advice**

Participants/account holders who are enrolled in any of AAG's Services discussed above are also provided with an additional feature of Spend-Down Advice based on Morningstar Investment Management's methodology, which provides the individual with retirement planning tools. The Spend-Down Advice illustrates how long the desired income may last in retirement and determines how much spendable income the participant/account holder may be able to sustain throughout their retirement years. The Spend-Down Advice provides both the amount and sources of income that can be spent throughout their retirement years. The services provided under Spend-Down Advice provide projections of spendable income and do not constitute investment advice under the Investment Advisers Act of 1940.

#### **5. Financial Planning Service**

For certain plan clients and certain IRA account holders, AAG will provide individualized financial planning services to the participant/account holder. The participant/account holder is required to complete a financial assessment. Based on the information provided by the participant/account holder and/or the Plan Sponsor, AAG with the assistance of third party financial planning software will provide the participant/account holder with a customized, financial needs assessment. AAG's financial planning service is limited to providing the participant/account holder with a needs assessment. The information provided to the participant/account holder under this service is through a contractual arrangement with an unaffiliated third party vendor(s). In certain circumstances the vendor's financial planning tools may recommend the purchase of life insurance products; such recommendations are not specific to any insurance underwriter and do not constitute an offer to solicit or sale insurance products offered by AAG's affiliated insurance companies, including without limitation Great-West Life & Annuity Insurance Company ("Great-West") and Great-West Life & Annuity Insurance Company of New York ("GWL&ANY").

#### **6. Retirement Income Projection Tools and Services**

AAG may offer online tools and services for participants/account holders to translate projected or actual retirement savings into estimated monthly retirement income. This interactive retirement planning service consists of various retirement income projection tools. These tools are informational in nature and do not reflect actual investment results and are not guarantees of future results; these tools do not constitute investment advice under the Investment Advisers Act of 1940.

#### **Enrollment in AAG's Services**

##### **For Retirement Plan Participants:**

Plan providers and plan sponsors select the Service(s), i.e., OIG, OIA and/or the MA service that are made available to plan participants and also the manner by which participants can authorize the Service(s). Participants must agree to the terms of a user agreement ("Terms of Service"), which terms may be amended by AAG from time to time, to use any of the Services. As part of a participant's enrollment in the MA service, the participant receives a MA Welcome Kit shortly after enrollment. The participant additionally receives an Annual Kit, each year. Each kit provides the participant an update on their account and information on reaching their retirement goals.

In certain instances, Plan Sponsors may authorize AAG to enroll participants automatically in the MA service based on information provided to AAG by the Plan Sponsors. In such instances, current participants in the Plan receive the Terms of Service and are given a defined period of time in which to cancel or "opt-out" of the MA service without incurring an advisory fee (the "Free Period" or "Promotional Period"). Participants' automatic enrollment in the Service by the Plan Sponsors is based upon personal financial information provided by the Plan Sponsor, including date of birth, salary, gender and state of residence. Participants are able to review this information either online or by contacting an AAG investment adviser representative; participants are solely responsible for reviewing the personal financial information they or their Plan Sponsor provide and for notifying AAG of any changes or updates to such information. Participants who are subsequently eligible for their employer-sponsored retirement plan or that otherwise elect to "opt-in" after the Free Look or Promotional Period concludes may not be eligible for a waiver of advisory fees otherwise available in the Free Look or Promotional Period.

##### **For Empower Retirement IRA Account Holders:**

The Services are available to all account holders of the Empower Retirement IRA. Account holders must agree to the Terms of Service prior to using any of the online services, which terms may be amended by AAG from time to time.

The advice and recommendations provided through the Services discussed in this Brochure are based on the responses or other information provided by or about the participant/account holder by the Plan Sponsor and/or the participant/account holder. Neither AAG nor Morningstar Investment Management make any guarantees or warranties, express or implied, as to the accuracy, timeliness, or completeness of such information. The Services are also subject to the general market and financial conditions existing at the time of such usage. The retirement goal

forecast and investment advice recommendations are not a guarantee of future results and are not a guarantee that a particular person will achieve their retirement goals.

### Termination of Services

Participants/account holders may cancel their participation in OIA or the MA service at any time. Participants/account holders utilizing OIA must complete their cancellation online. Participants/account holders utilizing the MA service may either cancel online or by calling an AAG investment adviser representative at the toll-free customer service number.

After cancellation of the:

1. OIA service, the individual will no longer have access to the online investment recommendations. Because AAG does not effect changes to the participant's/account holder's asset allocation and account balances, the individual's balances will not be affected **unless and until** the individual affirmatively changes their asset allocation and balance after the cancellation of OIA.
2. MA service, the participant/account holder will have the ability to make allocation and investment option changes to their account, usually by the next business day markets are open following cancellation of the MA service. Accordingly, the participant's asset allocation will remain the same as established in the MA service **unless and until** the participant affirmatively changes his/her asset allocation after cancellation of the MA service.

### Participant/Account Holder Information

The use and storage of any information, including, without limitation, an individual's personal and non-public information, account number, password, identification, portfolio information, account balances and any other information available on an individual's personal computer, is provided at the individual's sole risk and responsibility. The individual is responsible for providing and maintaining the communications equipment (including personal computers and modems) and telephone or options services required for accessing and using electronic or automated services, and for all communications service fees and charges incurred by the individual in accessing these services. AAG shall not bear any responsibility for either errors or failures caused by the malfunction of any computer or communication systems or any computer viruses or related problems that may be associated with the use of the Services.

### Assets Under Management

As of December 31, 2017:

Discretionary investment management among all services (including the MA service described herein):	\$30,481,622,032
Non-discretionary investment advisory services among all services (including OIA described herein):	\$1,264,619,236
Total discretionary and non-discretionary investment management advisory services:	\$31,746,241,269

### Item 5 – Fees and Compensation

For employer-sponsored retirement plans, fees are subject to negotiation by the plan sponsor which may include plan-level pricing credits depending on the various option(s) selected by the plan for its participants. In some instances, if agreed to by the plan, the plan sponsors or recordkeeper may pay AAG's fees on behalf of plan participants. AAG reserves the right to offer discounted fees or other promotional pricing or to waive fees for any particular period of time subject to proper notification and disclosure.

1. Online Investment Guidance Service Fees  
There is generally no fee for participants using OIG, however, participants may be assessed a fee for OIG depending on AAG's agreement with the plan sponsor. IRA account holders do not pay a fee for use of OIG.
2. Online Investment Advice Service Fees  
Participants who use OIA may be charged a flat fee, if applicable. Alternatively, any applicable fee may be paid by the plan or plan sponsor. If a fee applies for OIA it is generally \$25.00 per year, or \$6.25 per quarter, as specified in the participant's Terms of Service and/or the plan sponsor's agreement with AAG. Fees may be debited on a quarterly or monthly basis from participants' accounts based on the terms of service agreed upon by the plan sponsor. If the plan sponsor terminates the service agreement with the plan's recordkeeping service provider, the fees are debited through the date of such termination. Continued enrollment in OIA by a participant will result in the participant's account being debited based on the applicable fee or the plan sponsor incurring the applicable fee on behalf of the participant. Unless a participant affirmatively terminates OIA, or the plan sponsor terminates its recordkeeping service agreement, the fee will be assessed each quarter following the participant's initial use. The annual service fee pricing is unaffected by participants' frequency of use.  
Empower Retirement IRA account holders who use OIA may be charged an annual flat fee of \$25.00, debited quarterly at \$6.25 per quarter. Fees may be debited from IRA account holders' accounts on a quarterly or monthly basis based on the terms of service agreed upon by the account holder. If the IRA account holder terminates his/her Empower Retirement IRA, the fees are debited at the end of the billing cycle when the termination occurred. Continued enrollment in OIA by an account holder will result in the account holder's account being debited the applicable fee.
3. Managed Account Service Fees

#### For Employer-Sponsored Retirement Plan Participants:

Participants may be charged a fee for the MA service based on the Terms of Service with the participant and/or the plan sponsor's agreement with AAG. AAG may offer plans tiered pricing schedules based on the enrollment method the plan determines to use for offering or enrolling its participants in the MA service. Such options include, but are not limited to, pricing schedules based on the plan sponsor's selection of an "opt-out"

versus “opt-in” enrollment methodology. Pricing schedules, as applicable, for each of the options are made available to the plan sponsors for which they may use to select the option for their employer-sponsored retirement plan.

Pursuant to the Terms of Service and/or the plan sponsor’s agreement with AAG, the fee for the MA service is based upon a percentage of assets managed. The fee, as applicable, for the Managed Account service varies and is fully disclosed to participants prior to or at the time of enrollment in the enrollment disclosure materials provided to participants. In addition, the fee is disclosed to participants in the Terms of Service at the time the participant enrolls in the MA service. The maximum annualized fee that may be charged to a participant is 0.65% of the participant’s account balance.

The advisory fee is debited from the participant’s account following each applicable billing period, which is generally quarterly. If a participant cancels participation in the MA service at any time within a given billing period, pursuant to the participant’s Terms of Service and/or the plan sponsor’s agreement with AAG, the participant’s fee is based upon a percentage of assets managed during the billing period and will be debited from the participant’s account or paid by the plan sponsor according to AAG’s agreement and procedures. If the plan sponsor terminates its service agreement with the plan’s recordkeeping service provider, the participant’s advisory fee is debited as of such date of termination or paid by the plan sponsor according to AAG’s agreement and procedures.

**For Empower Retirement IRA Account Holders:**

IRA account holders are charged a quarterly fee for the MA service based upon a percentage of assets managed during the billing period:

Principal Account Balance	Quarterly Fee	Annualized Quarterly Fee
< \$100,000	0.1375%	0.55%
Next \$150,000	0.1125%	0.45%
Next \$150,000	0.0875%	0.35%
> \$400,000	0.0625%	0.25%

AAG reserves the right to offer current and new or prospective IRA account holders discounted fees or other promotional pricing or to waive fees for any particular period of time subject to proper notification and disclosure.

The advisory fee is debited from the account holder following each applicable billing cycle. If an account holder cancels their participation in the MA service or Empower Retirement IRA at any time within a given fee cycle, the fee is based upon a percentage of assets managed during the billing period and will be debited from the account according to AAG procedures.

**4. Financial Planning Service Fees**

Fees charged for financial planning services are negotiated on a plan-by-plan basis. In some instances the participant or account holder is assessed a fee for the financial planning services and in other instances, a plan sponsor may pay the fee on behalf of participants who use this service. Not all plans or IRAs are eligible to offer this service.

**5. Retirement Income Projection Tools and Services**

AAG does not charge a fee to plan sponsors, participants or IRA account holders for the retirement income projection tools and services.

**6. Other Fees and Expenses**

In addition to any previously negotiated and disclosed recordkeeper fees, commission payments and other administrative servicing fees and expenses for each plan, AAG may pay cash compensation or referral fees to unaffiliated firms for soliciting and referring plan sponsors and their participants to enroll in AAG’s MA service.

Accounts invested in mutual funds, separate accounts, collective investment alternatives and other investments may be subject to other fees, typically imposed by such investments. Fees such as fund operating expenses or redemption fees may be imposed at the investment company level. Information about the fees imposed by specific investment choices is available in the fund prospectuses or offering memoranda for the securities. AAG may allocate member assets to funds or investment alternatives with these fees or costs. All securities transactions that occur as a result of the services provided by AAG as described in this Brochure are executed by GWFS Equities, Inc., for which it may receive compensation in the form of 12b-1 fees or other compensation from mutual fund companies or from the other investments that may be available as program investment options.

A participant will pay advisory fees to AAG for the MA service and indirectly to GWCM if Great-West Funds are included in the retirement plan investment options. The fees paid to GWCM for management of the Great-West Funds are included in the fund share price.

**Item 6 – Performance-Based Fees and Side –by Side Management**

AAG does not charge any performance-based or side-by side management fees.

**Item 7 –Types of Clients**

AAG offers investment advisory and management services to plan sponsors of employer-sponsored retirement plans; such as 401(a), 401(k), 403(b) and 457 plans, including government entities and their participants through arrangements with the plan’s recordkeeper and to account holders of the Empower Retirement IRA.

## **Item 8 – Methods of Analysis and Investment Strategies**

The Services described in this Brochure are based on the proprietary asset allocation and retirement income projection methodologies developed by Morningstar Investment Management. The development of investment advice by Morningstar Investment Management involves the investment methodologies across the products and services described herein. Morningstar Investment Management or its affiliates focus on specific investment areas such as capital market assumptions and methodologies used for asset allocation, manager selection, portfolio construction, and advice.

### **Analysis Methods**

In providing advisory services, Morningstar Investment Management reviews available quantitative data to analyze and screen the investment options within a plan. They may also apply qualitative analysis by investment professionals, such as evaluations of investment managers, portfolios and individual investments. The primary sources of information used are the extensive databases and methodologies of Morningstar Investment Management or its affiliates, and interviews with investment managers. Other sources include financial publications, annual reports, prospectuses, press releases, and filings with the SEC. Morningstar Investment Management combines this information with other factors—including actuarial data, stock market exposure, probability analysis, and mean-variance optimization—into a proprietary software program to analyze a complex set of market data and variables. The result is an advanced model that can provide investment recommendations and a projection of different outcomes. Using this model, Morningstar Investment Management develops an investment strategy tailored to your investment goals, as described below.

### **Investment Strategy**

If you are accumulating for retirement savings, the investment strategy is generally based on information such as managed account balance, expected retirement age, contribution rate and other preferences provided by the individual. If the individual has already retired, and if the plan provider offers a guaranteed lifetime withdrawal benefit program, the strategy is based on information such as the current account balance, additional cash flows and life expectancy. This retirement strategy may include some or all of the following:

**Retirement Income Goal (accumulation phase):** Morningstar Investment Management defines the retirement income goal as the projected amount of money that will be needed by the individual throughout retirement. This calculation is based on current income, adjusted to reflect the estimated dollar value at retirement age. Typically, Morningstar Investment Management uses an amount equal to 100% of take-home pay (although some plan providers may request a different rate, e.g., 80% of gross pay), and then project the value of that amount at retirement age to determine a retirement income goal. The individual has the option to change this projected retirement income amount.

**Income Outlook (accumulation phase):** Morningstar Investment Management defines the income outlook as a projection of the annual income that the individual may receive during retirement. This is based on an annualized view of the investment wealth accumulated, combined with social security benefits and any pension or other income provided to AAG.

**Total Retirement Income (in-retirement phase):** If your plan provider or plan sponsor offers the in-retirement services, Morningstar Investment Management defines total retirement income as the projected amount of money, typically at some level of probability that one can expect to receive on an annual basis in order to maintain income throughout retirement.

**IMPORTANT:** When Morningstar Investment Management determines the income projections described above, these projections are based on hypothetical performance data and do not represent actual or guaranteed results. Your projections may vary over time with each additional use of the service.

### **Risk Strategy**

Morningstar Investment Management determines a risk strategy based on several factors, such as current age and time until retirement, gender, salary, total current wealth, deferral rate, and retirement goals. If the individual has retired or is approaching retirement, and if they have the opportunity to purchase an annuity, the risk strategy also considers longevity and liquidity needs. The risk level corresponds to an asset mix, or the combination of mutual funds, commingled funds, separate accounts, exchange-traded funds, and cash alternatives, that will serve as the basis for the recommendations of specific funds appropriate for the individual.

### **Estimated Tax**

Morningstar Investment Management estimates federal, state income, and capital gains taxes based on marginal tax rate calculations. These calculations are used when Morningstar Investment Management conducts income simulations. Tax data is updated annually based on the United States Internal Revenue Code (IRC) and similar state tax data. Morningstar Investment Management uses income data for the individual, as well as their spouse/partner, to estimate federal and state tax exposure. The tax exposure is appropriately reduced for pre-tax deferrals, tax-deferred capital gains, and yield and distribution of Roth proceeds. Based on the information that the individual provides, Morningstar Investment Management provides an estimate of the tax exposure, but may not include all tax considerations. Please consult a tax adviser for a complete understanding of your tax situation.

### **General Risks of Investing**

Investing in securities involves risk of loss that clients should be prepared to bear. **Neither AAG nor Morningstar Investment Management or their**

**affiliates guarantees that the recommendations will result in achieving the retirement income goal. Neither AAG nor Morningstar Investment Management or their affiliates can guarantee that negative returns can or will be avoided in any of the recommendations. An investment's future performance may differ substantially from its historical performance and as a result, may incur a loss. Past performance is no guarantee of future results. Additionally, the plan provider may make changes from time to time with respect to the investment options available in the plan.**

You should give careful consideration to the benefits of a well-balanced and diversified investment portfolio. This is because market or other economic conditions that cause one category of assets to perform very well often cause another asset category to perform below average. Diversification does not guarantee investment returns and does not eliminate the risk of loss.

Below are some of the common factors that can produce a loss in a client's account and/or in a specific investment product, asset category or even in all asset categories –

- **Market Risk** – Stock and bond markets are volatile and can decline significantly in response to adverse issuer, political, regulatory, market or economic developments in the U.S. and in other countries. Market risk may affect a single company, sector of the economy, an entire country or geopolitical region, or the market as a whole, and may impact stock and or bond markets in unanticipated and different ways.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry.
- **Category or Style Risk:** During various periods of time, one category or style may underperform or outperform other categories and styles.
- **Interest Rate Risk** – The market value of a debt security is affected significantly by changes in interest rates. When interest rates rise the security's market value declines and when interest rates decline market values rise. The longer a bond's maturity the greater the risk and the higher its yield; conversely, the shorter a bond's maturity the lower the risk and the lower its yield.
- **Inflation Risk:** When any type of inflation is present, purchasing power may be eroding at the rate of inflation.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e., interest rate). This relates primarily to fixed income securities.
- **Exchange-traded funds:** Exchange-traded funds present market and liquidity risks, as they are listed on a public securities exchange and are purchased and sold via the exchange at the listed price, which price will vary based on current market conditions and may deviate from the net asset value of the exchange-traded fund's underlying portfolio.
- **Target Date Funds:** Generally, the asset allocation of each target date fund will change on an annual basis with the asset allocation becoming more conservative as the fund nears the target retirement date. The target date is the approximate date when investors plan to start withdrawing their money. The principal value of the fund(s) in a plan's lineup is not guaranteed at any time, including at the time of target date and/or withdrawal.
- An investment in a money market fund is not insured or guaranteed by the FDIC or any other government agency. Although some money market funds such as U.S. Government money market funds strive to preserve the value of the investment at \$1.00 per share, it is possible to lose money by investing in a money market fund. Additionally, other money market funds may operate under new rules and regulations permitting such funds to have a "floating" value per share which may be more or less than \$1.00 per share depending on market conditions, as well as impose liquidity/redemption fees for large or frequent withdrawals.

For more complete information about any of the mutual funds or investment product available within the retirement plan, please contact your retirement plan service provider.

#### **Risks Associated With Particular Types of Securities**

Neither AAG nor its sub-advisers recommend a particular type of security. The plan sponsor or its agent is responsible for determining the retirement plan's menu of investment options. It is the participant's/account holder's responsibility for reading all disclosure and related materials, including prospectuses, statements of additional information and other similar material.

#### **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of AAG or the integrity of AAG's management. AAG has no legal or disciplinary event to report relative to this item.

#### **Item 10 - Other Financial Industry Activities and Affiliations**

AAG is not a registered broker-dealer. However, due to the organizational structure of AAG's parent company, Great-West, certain registered representatives of GWFS are also supervised persons of AAG and are required to comply with AAG policies and procedures when acting in that capacity. AAG and its management persons are not, and do not have an application pending to register as, a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

#### **Other Financial Industry Affiliations**

AAG has arrangements that are material to its advisory business or its clients/participants/account holders with the related entities shown below. These related entities may receive certain fees that are unrelated to AAG's fees for its Services.



### **Insurance Companies**

*Great-West Life & Annuity Insurance Company* is an insurance company domiciled in the State of Colorado ("Great-West"). AAG is a wholly-owned direct subsidiary of Great-West. Great-West, pursuant to various agreements, may provide investment products, recordkeeping and other administrative services through its affiliates, FASCore, LLC ("FASCore"), Great-West Financial Retirement Plan Services, LLC ("Great-West RPS").

*Great-West Life & Annuity Insurance Company of New York* is an insurance company domiciled in the State of New York ("GWL&ANY"). AAG is an affiliate of GWL&ANY through common ownership in which Great-West is the sole owner of both AAG and GWL&ANY. GWL&ANY, pursuant to various agreements, may provide investment products and administrative services through its affiliates, FASCore and Great-West RPS, to retirement plans for which AAG may also provide its services.

### **Broker-Dealer**

*GWFS Equities, Inc. ("GWFS")*, an affiliate of AAG, is a registered limited broker/dealer and wholly-owned subsidiary of Great-West through which trades are executed. GWFS may provide wholesaling, direct sales, enrollment and/or communication services to retirement plans and their participants for which AAG may also provide its services. All transactions which occur as a result of participation in the Service are executed by GWFS for which GWFS may receive compensation in the form of 12b-1 fees or other compensation from the mutual fund companies or from the other investments that may be available as investment options.

### **Trust Companies**

*Great-West Trust Company, LLC ("GWTC")* is a trust company and affiliate of AAG. GWTC is a wholly-owned subsidiary of Great-West. GWTC is chartered under the laws of the State of Colorado. GWTC may provide discretionary or directed trustee and/or custodial services for AAG's clients. GWTC also serves as the trustee for certain collective investment trusts which may be available as investment options and is the custodian of all Empower Retirement IRA accounts.

*Emjay Trust Company ("Emjay")* is a company with trust authority under Wisconsin law, and an affiliate of AAG. Emjay is a wholly-owned subsidiary of Great-West. Emjay may provide directed trustee, custodial, and recordkeeping services for AAG's clients.

### **Investment Company**

*Great-West Funds, Inc.* is an investment company registered under the Investment Company Act of 1940 and affiliated with AAG. Great-West Funds may provide investment products to retirement plans and IRAs for which AAG may also provide its services. Great-West Funds is managed by Great-West Capital Management, LLC as discussed below. Shares of Great-West Funds may be available for purchase by retirement plans advised by AAG or to account holders of the Empower Retirement IRA.

### **Investment Advisers**

*Great-West Capital Management, LLC ("GWCM")*, an affiliate of AAG, is an investment adviser for Great-West Funds and is registered under the Investment Advisers Act of 1940. It is a wholly-owned subsidiary of Great-West. AAG provides managed account, guidance, and advice services to participants in certain defined contribution plans and to account holders of the Empower Retirement IRA which may have as investment options certain portfolios of Great-West Funds managed by GWCM.

*Putnam Investment Management, LLC* is a registered investment adviser ("PIM"). AAG is under common control with PIM and is an affiliate of PIM. Shares of Putnam mutual funds managed by PIM may be available for purchase by retirement plans or by account holders of the Empower Retirement IRA who invest in the Portfolios of the Great-West Funds or underlying funds managed by PIM. PIM also serves as the sub-adviser to the Great-West Putnam High Yield Bond Fund and the Great-West Putnam Equity Income Fund; both Funds under investment management with GWCM.

*Irish Life Investment Management, Limited* – a Dublin, Ireland based, SEC registered investment adviser. ILIM is part of the Great-West Lifeco, Inc. ("GWL") group of companies; GWL has operations in Canada, the United States, Europe and Asia through ownership of various companies including Great-West and PIM. AAG is wholly-owned subsidiary of Great-West which in turn is an indirect, wholly owned subsidiary of GWL which controls ILIM. ILIM manages the index series of GW Funds.

The affiliated companies of AAG, GWCM, GWFS, Great-West, GWL&ANY, Great-West Funds, FASCore, Great-West RPS, and GWTC operate under the multiple brands of "Great-West Financial", "Great-West Investments", "Empower Retirement" and "Empower Institutional" depending upon the products, services and retirement markets involved. These brands do not materially affect the internal structure of AAG or AAG's corporate ownership.

### **Potential Conflicts of Interest**

The investment options available to be advised through the Service are generally established by the plan sponsor/client for whom AAG provides its Services or by the institutional partner through which our Services are delivered. In some cases, the investment options may include or be comprised solely of affiliated investment options of AAG. Participation in the MA service may result in an allocation to one or more investment options managed by an affiliate of AAG. AAG does not receive compensation from its parent company or any of its affiliates as a result of these allocations or in connection with the solicitation or offering of insurance products of Great-West or GWL&ANY ("Insurance Products.") AAG does

not view these relationships as conflicts because the sub-adviser remains independent from AAG and its related persons with respect to their methods of analysis, investment strategies and advice provided. A participant will pay advisory fees to AAG for the MA service and indirectly to GWCM if Great-West Funds are included in the retirement plan investment options. The fees paid to GWCM for management of the Great-West Funds are included in the fund share price.

For employer-sponsored retirement plans, registered representatives of GWFS Equities may offer insurance products, at the request of the plan sponsor, to AAG's advisory clients. Some AAG-affiliated employees will have an opportunity to earn bonus compensation, in addition to their salary, for communication, education and /or assisting participants to enroll in AAG's Services. Such bonus compensation does not increase the fees paid by the plan and/or their participants.

#### **Other Business Activities**

Certain senior managers and officers of AAG may also serve as executive officers of AAG's parent company, Great-West and other affiliates of AAG.

#### **Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

##### **AAG's Code of Ethics**

AAG has adopted a written Code of Ethics (the "Code") in compliance with Rule 204A-1 of the Investment Advisers Act of 1940 ("Advisers Act"). The Code sets forth standards of business conduct expected of advisory personnel and require AAG's advisory personnel, referred to as "Supervised Persons" and, in some cases, as "Access Persons." Access Persons are required to report their personal securities holdings and transactions in accordance with the Advisers Act. AAG's Supervised Persons are required to comply with AAG's Code of Ethics. A copy of the Code will be provided to current or prospective clients, upon request. AAG's Code includes but is not limited to such topics as:

- Fiduciary responsibility to clients;
- Compliance with federal securities laws;
- Protection and safeguarding of confidential information;
- Giving and receiving gifts, gratuities and entertainment;
- Political contributions;
- Reporting and monitoring personal securities transactions;
- Avoiding and disclosing conflicts of interest, and;
- Reporting violations of the Code.

##### **Personal Trading**

AAG's Code requires pre-clearance of certain securities transactions. Officers, managers, and certain employees of AAG (collectively, "Access Persons") may trade for their own personal accounts in securities which are recommended to and/or purchased for AAG's advisory clients. However, because the Code would permit Access Persons to invest in the same securities as clients in some circumstances, there is a possibility that employees could benefit from market activity by a client in a security held by an Access Person. As a result, trading is continually monitored in accordance with the Code and federal securities laws. AAG's Code is intended to ensure that the personal securities transactions and the outside business activities of AAG's Access Persons do not interfere with making decisions in the best interest of advisory clients.

##### **Principal Trading**

AAG has adopted a policy and practice not to engage in any principal transactions. AAG holds no investments for its own accounts which could be bought from, or sold to, an advisory client. In the event of any change in AAG's policy, any such change must be approved by management and any principal transactions would only be permitted after meeting the review and approval requirements described under the anti-fraud section of the Advisers Act.

##### **Participation or Interest in Client Transactions**

###### ***Affiliate GWFS Effects Securities Transactions for Advisory Clients***

Registered representatives of GWFS and/or Great-West RPS may provide wholesaling, direct sales, enrollment, and/or communication services to retirement plans and their participants for which AAG may also provide its services. In return, GWFS or Great-West RPS may receive fees from either the plan or the investment provider (fund families). All securities transactions which occur as a result of the services provided by AAG as described in this Brochure are executed by GWFS. GWFS may receive compensation in the form of 12b-1 fees or other compensation from mutual fund companies or from the other investments that may be available as plan or IRA investment options. In all instances, AAG's affiliation with these entities is disclosed. Allocations in the investment options are solely determined and based on Morningstar Investment Management's software and not determinations made by AAG. The compensation paid by AAG to Morningstar Investment Management for Morningstar Investment Management's proprietary software advice program does not vary based on the allocations made or recommended by Morningstar Investment Management. Because Morningstar Investment Management is unaffiliated with AAG and GWFS, AAG does not believe there is a conflict of interest.

##### **Affiliate Great-West or GWL&ANY Proprietary Investments**

Investment options into which participant or account holder assets may be allocated, pursuant to the OIA or the MA services may be through a fixed and variable deferred annuity issued by Great-West or GWL&ANY. Because Morningstar Investment Management is unaffiliated with AAG,

Great-West, GWL&ANY and their affiliates, AAG does not believe there is a conflict of interest. However, in all instances, AAG's affiliation with Great-West and/or Great-West's affiliates, as applicable, will be disclosed.

#### **Item 12 – Brokerage Practices**

##### **Brokerage Selection; Best Execution**

For retirement plans or the Empower Retirement IRA, the plan sponsor, its agent, or the IRA platform provider selects the broker-dealer used by the retirement plan and determines the reasonableness of the compensation. AAG does not select or recommend broker-dealers for stock transactions or self-directed brokerage accounts and does not determine the reasonableness of broker-dealer's compensation. Transactions recommended by Morningstar Investment Management for the Service are processed by AAG's affiliated recordkeeper, Empower Retirement ("Empower"), and generally executed through GWFS.

##### **Soft Dollar Practices**

AAG, as a matter of policy, does not utilize research, or other products or services from third parties in connection with client securities transactions on a soft-dollar commission basis.

##### **Directed Brokerage**

The plan sponsor may elect to offer brokerage services to participants in the retirement plan. AAG does not participate in such decisions and does not provide recommended portfolios or investment recommendations on assets held in a brokerage account under the retirement plan.

##### **Trade Aggregation**

AAG does not bunch orders or engage in block trades to execute equity orders for clients as client accounts, generally, are held in trust per regulatory requirements. Further, most trades are mutual funds where trade aggregation does provide any additional client benefits.

#### **Item 13 – Review of Accounts**

Personnel of AAG, at least annually, review the methodologies used by Morningstar Investment Management to power the OIG, OIA and MA services to ensure that they are consistent with investment advisory best practices, current technology, applicable law and the terms of the agreement between AAG and Morningstar Investment Management.

Neither AAG nor Morningstar Investment Management review the personal financial information of participants/account holders as provided by the participant/account holder or the Plan Sponsor and do not assume responsibility for any incomplete or erroneous information. Such information, which includes date of birth, salary, gender and/or state of residence, must be reviewed periodically by the participant and/or the Plan Sponsor or the account holder who in turn are responsible for notifying AAG of any changes, errors or omissions to such information.

AAG conducts the following review of its clients' accounts:

##### **Online Investment Guidance Service**

AAG does not conduct any review or other oversight for participants/account holders enrolled in this service.

##### **Online Investment Advice Service**

AAG does not conduct review of its participant's/account holder's accounts in respect to investment oversight, monitoring, or rebalancing. Participants/account holders receive from AAG investment recommendations based on the investment options as provided in their specific retirement plan or in the Empower Retirement IRA. **It is the responsibility of OIA clients to review and update their accounts to adjust for changes in the investments they own and to determine whether the recommendations are suitable for their particular investment needs. OIA clients should also review and update their accounts should significant changes occur in their personal circumstances.**

##### **Managed Account Service**

Under the MA service, participant/account holder assets in the investment options are monitored, rebalanced and reallocated on a periodic (approximately quarterly) basis by AAG, based on Morningstar Investment Management's software program. On an annual basis, based on the individual's birth date, those enrolled in the MA service will receive an Annual Kit containing an account update and forecast statement. Morningstar Investment Management updates their capital market assumptions underlying their methodology used to construct the asset classes, on at least an annual basis and then makes changes to the portfolio allocations, as necessary based on updated assumptions. The portfolios are also monitored on a regular basis on current portfolio allocations and adjustments are made as necessary.

##### **Financial Planning Service**

AAG does not verify or review the information provided by the individual and/or the plan sponsor which is used to provide the individual with the financial needs assessment. The individual and/or plan sponsor is responsible for providing accurate and comprehensive information and the individual is responsible for reviewing their personal financial circumstances and updating their information with any material changes.

##### **Spend-Down Advice and Retirement Income Projection Tools**

AAG does not conduct any review or other oversight for participants/account holders or Plan sponsors who utilize these tools or services. They receive access to AAG's various online tools, including account planning and analytical tools, and the participant/account holder is responsible for selecting their own asset classes and building a diversified portfolio based on their own self-direction using this service.

##### **Reporting to Clients**

Participants/account holders enrolled in the MA service receive a MA Welcome Kit shortly after enrollment, an account update at least annually, and a forecast statement annually. Participants/account holders enrolled in OIA can review their accounts and generate their own reports at any time. Individuals are encouraged to update their personal information or make changes to investment options online or via the appropriate toll-

free customer service number at any time should a significant change occur in their personal circumstances. In addition, all individuals receiving Services are provided quarterly account statements generated by the plan's recordkeeper.

AAG communicates regularly, either orally or in writing, with plans and/or plan sponsors to report participant utilization of the services. AAG also contributes to reporting for plan sponsors, including periodic reports and performance information such as the Fund Performance Review ("FPR"), which includes information about a client's investment options, fund list, portfolio holdings and asset allocation strategy, among other things, as applicable. The nature and frequency of other communications with plan sponsors depends on the terms of the agreement between AAG and the plan or plan sponsor. AAG also communicates with plan sponsors upon their request.

#### **Item 14 – Client Referrals and Other Compensation**

AAG does not pay cash or other compensation to outside solicitors for referrals to the Empower Retirement IRA.

AAG may pay cash compensation or referral fees to unaffiliated firms for soliciting and referring plan sponsors and their participants to enroll in AAG's Services. Any compensation paid by AAG for solicitation activities is pursuant to a written agreement and is paid in compliance with Rule 206(4)-3 of the Advisers Act.

Some AAG-affiliated employees will have an opportunity to earn bonus compensation, in addition to their salary, for communication, education and /or assisting participants to enroll in AAG's Services. Such bonus compensation does not increase the fees paid by the plan and/or their participants.

#### **Item 15 - Custody**

AAG does not maintain actual custody of its clients' cash, bank accounts, or securities. Pursuant to Rule 206(4)-2 of the Advisers Act as amended, AAG is deemed to have constructive custody with respect to certain client funds and securities because an affiliated party is the custodian and directed or discretionary trustee of certain retirement plan accounts. In addition to annual audits, these accounts, except for Emjay, are subject to surprise verifications by an independent public accountant each year, as required by Rule 206(4)-2. If applicable, AAG's clients receive periodic account statements (at least quarterly) from their custodian. Certain clients may have assets held by unaffiliated custodians.

#### **Item 16 – Investment Discretion**

AAG provides discretionary investment management services for those plan participants/account holders who enroll and participate in the MA service; AAG does not offer or engage in discretionary investment services for either OIG or OIA.

The MA service is a professional, flexible asset management program based on data resulting from the methodologies and proprietary software program developed and employed by its IFE, Morningstar Investment Management. To provide the MA service to plan participants and IRA account holders, AAG retains discretionary authority over the allocation of available investment options without requiring prior approval of each transaction. All ongoing investment transfers and investment direction changes are implemented for plan participants enrolled in the Managed Account service.

#### **Item 17 – Voting Client Securities**

AAG, as a registered investment adviser, and as a matter of practice, does not accept authority to vote client securities in connection with any of the services described in this Brochure.

#### **Item 18 – Financial Information**

As previously discussed, under certain circumstances AAG has discretionary authority over certain client funds and securities. Accordingly, AAG is required to disclose information about AAG's financial condition that is reasonably likely to impair AAG's ability to meet contractual commitments to its clients. AAG has no financial commitment that impairs its ability to meet contractual commitments to its clients, nor has AAG been the subject of a bankruptcy proceeding. Further, AAG does not require or solicit prepayment of fees in excess of \$1,200 per client more than six months in advance.

Not an Offer to Purchase or Sell Securities. This information contained in this Brochure, including for example information regarding Great-West Funds, Inc., is for disclosure and other informational purposes only and is not an offer to sell or a solicitation of an offer to buy any securities, and may not be relied upon in connection with the purchase or sale of any security.

## **GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

A Stock Company

8515 East Orchard Road

Greenwood Village, CO 80111

*For service, call 1-800-701-8255*

### **Group Fixed Deferred Annuity Contract** Non-Participating

PLAN SPONSOR                      Village of Key Biscayne

CONTRACTHOLDER              Village of Key Biscayne and Great-West Trust Company, LLC

PLAN                                  Village of Key Biscayne 457 Plan

CONTRACT NUMBER              100006-01

CONTRACT DATE                  September 4, 2018 or the later of the dates signed by all parties.

Great-West Life & Annuity Insurance Company ("Great-West") agrees to pay annuity benefits on behalf of Participants who choose an annuity payment option under this Group Fixed Deferred Annuity Contract ("Contract"). The provisions on the following pages, together with the Application for this Contract, and other documents referenced in Section 10.2, are part of this Contract.

Signed for Great-West Life & Annuity Insurance Company and effective on the Contract Date.



Secretary



President

This Contract is a legal contract between Contractholder, Plan Sponsor and Great-West Life & Annuity Insurance Company. PLEASE READ THIS CONTRACT CAREFULLY.



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## SECTION 1. DEFINITIONS

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*Administrative Offices* – 8515 East Orchard Road, Greenwood Village, CO 80111.

*Alternate Payee* – any spouse, former spouse, child or other dependent of a Participant or any other person recognized under applicable law who is recognized by a Qualified Domestic Relations Order as having a right to receive all or a portion of the benefit payable under a Plan with respect to such Participant.

*Annuitant* – the person upon whose life the payment of an annuity is based.

*Annuity Commencement Date* – the date annuity payments begin to an Annuitant.

*Applicable Tax* – the amount of tax, if any, charged by a state or other governmental authority.

*Beneficiary* – a person or entity named by the Participant to receive all or a portion of the Participant's account at his or her death.

*Business Day* – any day and during the hours on which the New York Stock Exchange is open for trading.

*Code* – the Internal Revenue Code of 1986, as amended from time to time, or any future United States Internal Revenue law that replaces it, including corresponding Treasury Regulations and Internal Revenue Service guidance.

*Contributions* – salary reduction contributions, Participant after-tax contributions, employer contributions, or other contributions made to the Plan by or on behalf of a Participant under the Code.

*Deposits* – rollovers, plan to plan transfers, Transfers, or other amounts, other than Contributions, paid into the Participant Account under the Plan.

*Distributions* – amounts paid to a Participant, Beneficiary or Alternate Payee, pursuant to the terms of the Plan and the Code.

*Fixed Account* – an investment option, the assets of which are part of the General Account of Great-West.

*Fixed Account Value* – the sum of the Fixed Accounts.

*General Account* – Great-West's assets other than those held in any segregated investment account.

*Great-West* – Great-West Life & Annuity Insurance Company, located at the Administrative Offices.

*Guaranteed Interest Rate* – the minimum interest rate on an annual effective basis, if any, described on a Fixed Account rider(s).

*Participant* – an individual eligible to participate in the Plan with assets in a Participant Account.

*Participant Account* – a separate record in the name of each Participant, Beneficiary or Alternate Payee, which reflects his or her share in the Fixed Account(s).

*Participant Account Value* – the sum of the Fixed Account Value credited to the Participant Account.

*Participant Effective Date* – the date on which the first Contribution or Deposit is credited to a Participant Account.

*Payee* – a person entitled to receive all or a portion of the value of the Participant Account.

*Plan* – The name of the plan as noted on the first page of the Contract.

*Plan Sponsor* – an entity maintaining the Plan on behalf of Participants, Alternate Payees and Beneficiaries. In a multiple employer plan, the Plan Sponsor shall be considered the entity maintaining the multiple employer plan on behalf of participating employers and the participating employers Participants, Alternate Payees and Beneficiaries.

*Qualified Domestic Relations Order* – a domestic relations order that creates or recognizes the existence of an Alternate Payee's right to, or assigns to an Alternate Payee the right to receive all or a portion of the benefits payable with respect to a Participant and that complies with the requirements of the Code and ERISA, if applicable, and is approved by the Plan.

*Request* – an inquiry or instruction in a form satisfactory to Great-West. A valid Request must be: (1) received by Great-West at its Administrative Offices in good order; and (2) submitted in accordance with the provisions of this Contract, or as required by Great-West. The Request is subject to any action taken by Great-West before the Request was processed.

*Start-Up Costs* – the amounts incurred by Great-West in acquiring and implementing the plan, which may include but are not limited to restorations, commissions or other costs.

*Transfer* – the reinvestment or exchange of all or a portion of the Participant Account balance from one investment option or provider under the Plan to another.

## **SECTION 2. OWNERSHIP PROVISIONS**

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### 2.1 Ownership of the Contract

Contractholder is the owner of the Contract and is identified on the first page of the Contract. Plan Sponsor and Contractholder have certain rights and privileges as set forth under this Contract.

### 2.2 Transfer and Assignment

The interests of the Contractholder and Plan Sponsor in this Contract may not be transferred, sold, assigned, pledged, charged, encumbered, or in any way alienated; however, if the Plan is consolidated or merged with another plan or if the assets and liabilities of the Plan are transferred to another plan, the Contract may be assigned to the new Plan Sponsor and/or trustee.

### 2.3 Trust

The Contract may be used in lieu of a trust agreement for purposes of satisfying Code sections 401(a), 401(f) and 457(g) and no portion of the amount contributed to the Contract, plus earnings thereon, may be used for or diverted to any purpose other than the exclusive benefit of Participants and their Beneficiaries prior to the satisfaction of all liabilities to them.



## **SECTION 3. PARTICIPANT ACCOUNT VALUE**

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### **3.1 Fixed Account Value**

The Fixed Account Value in the Participant Account is calculated as follows:

- (a) all Contributions and Deposits to a Fixed Account option made by or on behalf of the Participant, Alternate Payee and Beneficiary; plus
- (b) all interest credited to the Contractholder's assets in the Fixed Account on an annual effective basis pursuant to the Guaranteed Interest Rate applicable to the Fixed Account; less
- (c) any amounts transferred or distributed from the Fixed Account; less
- (d) any applicable charges, fees and Applicable Tax, if any.

### **3.2 Transaction Date**

All Requests, Contributions and Deposits received in good order with all required documentation at Great-West's Administrative Offices prior to the close of business of the New York Stock Exchange will be processed as of the date received, and if received after the close of business of the New York Stock Exchange will be processed on the next Business Day. However, Great-West shall not be liable for the results of any delay or interruption due to causes or conditions beyond its control including, without limitation, labor disputes, riots, war and war-like operations including acts of terrorism, epidemics, explosions, sabotage, acts of God, failure of power, fire or other casualty, natural disasters or disruptions in orderly trading on any relevant exchange or market, including disruptions due to extraordinary market volume that result in substantial delay in receipt of correct data.

## **SECTION 4. CONTRIBUTIONS AND DEPOSITS TO PARTICIPANT ACCOUNTS**

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### **4.1 Contributions**

Prior to the termination of the contract and unless otherwise described in a Fixed Account rider(s), Contributions may be made at any time, pursuant to the terms of the Plan.

Great-West shall not be responsible for determining the amount of Contributions to be made for any Participant. The Contribution amounts will be allocated to Participant Accounts pursuant to the accompanying Contribution report. The Contribution report must be submitted in a manner acceptable to Great-West and shall be conclusive and binding on the Plan and on any person or entity claiming an interest under the Contract. When the Contribution report does not coincide with the Contribution received and the inconsistency is not resolved within a period of time required under the law, Great-West may return the Contribution.

Great-West's prior approval may be required before a Contribution may be made that causes a Participant Account Value to exceed \$1,000,000.

### **4.2 Limitations on Salary Reduction Contributions**

Each Participant's salary reduction Contributions, if any, must satisfy any limitations imposed by the Plan or the Code.

### **4.3 Deposits to Participant Accounts**

Deposits will be accepted insofar as they are permitted under the terms of the Plan and applicable Code requirements.

### **4.4 Allocation of Contributions and Deposits**

Contributions and Deposits, less Applicable Tax, if any, will be allocated in the Participant Account when received by Great-West at its Administrative Offices, subject to Section 3.2 of this Contract.

Contributions and Deposits will be allocated as directed by the Participant among any number of currently offered Fixed Account options available under the Contract. If the offered Fixed Account options are changed, Contributions and Deposits may be redirected and the account balance may be reallocated subject to the terms of the accounts selected.

## **SECTION 5. CONTRACT CHARGES AND FEES**

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### **5.1 Contract Maintenance Charge**

An annual contract maintenance charge may apply. However, if the Participant Effective Date is after January 1, the initial contract maintenance charge for that Participant Account will apply during the calendar quarter after the Participant's one-year anniversary (calculated from the Participant Effective Date) and will be pro-rated for the remainder of the year.

The deduction of the contract maintenance charge will be pro-rated among the applicable Fixed Account Value on the date of deduction. Whenever a deduction for a contract maintenance charge is made from a Fixed Account, Great-West will reduce the Participant Account Value in an amount equal to the deduction.

### **5.2 Contract Termination Charge**

Upon termination of the Contract by Plan Sponsor, a contract termination charge based upon a percentage of the original Start-Up Costs may apply.

### **5.3 Fees Imposed by Investment Option Provider**

Any and all fees imposed by the provider of any investment option offered by the Plan and invested in by the Participant, Alternate Payee and Beneficiary, including but not limited to redemption fees, shall be deducted from the Participant Account Value.

### **5.4 Service Charges and Fees**

Great-West and Plan Sponsor may enter into an agreement for services to the Plan not otherwise provided under this Contract. Charges and fees for these services will be described in the agreement.

### **5.5 Payment of Charges and Fees**

Any fees imposed by the providers of any investment option, all charges and fees may be billed directly to Plan Sponsor. If Plan Sponsor does not elect to have such charges and fees billed to Plan Sponsor, such charges and fees shall be deducted from the Participant Account Value.

In all instances where Plan Sponsor has elected to be billed for any fees and charges and any of the fees or charges are unpaid after the date billed, as disclosed in and pursuant to the procedures in the fee disclosure and/or service agreement for the Plan, Plan Sponsor and Contractholder hereby instructs Great-West to debit Participant Accounts. Great-West may continue to deduct charges and fees quarterly from Participant Accounts unless and until Plan Sponsor provides Great-West with written instructions to reinitiate billing.

Great-West may change any charges and fees upon not fewer than 30 days advance written notice to Plan Sponsor.

## **SECTION 6. PARTICIPANT-, ALTERNATE PAYEE-, AND BENEFICIARY-DIRECTED TRANSFERS AMONG INVESTMENT OPTIONS OFFERED BY THE PLAN**

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Upon receipt of a satisfactory Request meeting all of the requirements of this section, Great-West will process a single-sum Transfer of all or a portion of a Participant Account in the Plan. Transfers must:

- (a) satisfy the terms of the Plan in accordance with the appropriate provisions of the Code; and
- (b) satisfy any restrictions in the attached Fixed Account rider(s), and any trading restrictions imposed by the investment option provider, including but not limited to mutual fund restrictions on market timing or excessive trading.

## **SECTION 7. DISTRIBUTIONS FROM PARTICIPANT ACCOUNTS**

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### 7.1 Distribution Requirements

Notwithstanding any provision herein to the contrary, Distributions to a Payee may only be made in accordance with the terms of the Plan and applicable Code sections and any terms of the Fixed Account rider(s), and will be tax reported under the applicable rules in effect on the date of Distribution. Great-West will rely on information provided by Plan Sponsor or its designee with respect to the timing and amount of any benefit payable to a Payee under this Contract. Great-West will not process any Distributions to a Payee without Plan Sponsor or its designee instructions.

### 7.2 Rollovers

If the Payee of an eligible rollover Distribution elects to have the Distribution paid directly to a specified eligible retirement plan, as defined in Code section 402(c)(8)(B), then the Distribution will be paid to that eligible retirement plan in a direct rollover. If the Plan provides for mandatory Distributions under Section 401(a)(31)(B) of the Code, such Distributions shall be sent to the IRA provider selected by Plan Sponsor pursuant to the Plan Sponsor's or its designee's instructions.

### 7.3 Establishment of Alternate Payee Account

A Request in connection with a Qualified Domestic Relations Order (QDRO) must be approved by Plan Sponsor, except as otherwise agreed. Great-West will make payment to the Alternate Payee and/or establish a Participant Account on behalf of the Alternate Payee named in such order. The Alternate Payee shall be treated as a surviving spouse for purposes of Code section 401(a)(9) and shall be responsible for submitting a Request to begin Distributions in accordance with the Code.

### 7.4 Required Minimum Distributions during the Participant's Lifetime

Participants are required by the Code to begin receiving required minimum Distributions as of their required beginning date, which is April 1 of the calendar year following the later of: (a) attainment of age 70½; or (b) retirement, or such other date as may be prescribed in the Code. Required minimum Distributions made under this Contract will only be made in a manner consistent with Code section 401(a)(9). It is the Participant's or Plan Sponsor's responsibility to Request payments in accordance with the minimum distribution requirements. Great-West is not responsible for any penalties resulting from a failure to Request timely payments in the proper amount.

### 7.5 Distributions after the Participant's Death

If the Participant dies, the amount payable on death will be the Participant Account Value net of any outstanding loan balance. Distributions to Beneficiaries must begin on or before the designated Beneficiary's required beginning date in a manner and amount consistent with Code section 401(a)(9) as it is in effect at the time of the Distribution.

It is the Beneficiary's responsibility to Request payments and to pay any penalties resulting from a failure to Request timely payments in the proper amount. A Beneficiary may not receive more than the Participant Account Value.

### 7.6 Plan-to-Plan Transfers

A Participant or Beneficiary may direct that all or a portion of the Participant Account Value be transferred in a single sum to a contract under another Plan Sponsor's plan. Such transfers will be permitted provided:

- (a) Both the transferor and transferee plan provide for such transfers, and the transfer satisfies the terms of the Plan and applicable provisions of the Code;

- (b) In the case of a transfer for a Participant, the Participant is an employee or former employee of the Plan Sponsor (or the business of the Plan Sponsor) for the receiving plan;
- (c) In the case of a transfer for a Beneficiary, the Participant was an employee or former employee of the Plan Sponsor (or the business of the Plan Sponsor) for the receiving plan;
- (d) Great-West receives a satisfactory Request for such transfer; and
- (e) The restrictions, if any, contained in the attached Fixed Account rider(s), if any, allow such transfer.

#### 7.7 Transfers from a Governmental Plan for the Purchase of Permissive Service Credits

If the Plan so provides, a Participant may direct that all or a portion of the Participant Account Value be transferred in a single sum to a qualified defined benefit plan that is a governmental plan (as defined in Code section 414(d)). Such transfers will be permitted provided:

- (a) The transfer satisfies the terms of the Plan in accordance with the appropriate provisions of the Code;
- (b) Great-West receives a satisfactory Request for such transfer; and
- (c) The restrictions, if any, contained in the attached Fixed Account rider(s) allow such transfer.

## **SECTION 8. PAYMENT OPTIONS**

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### 8.1 Requests for Distributions to a Participant, Beneficiary or Alternate Payee

As long as the Participant Account Value is greater than zero and as allowed by the Plan and Code, a Request may be made to:

- (a) Elect an annuity payment option, provided such Request is made at least 30 days before the Annuity Commencement Date;
- (b) Elect a non-annuity payment option and designate the date payment shall commence; or
- (c) Change from one payment option to a different payment option, if allowed under the terms of the payment option selected.

### 8.2 Conditions of Payment

Approved Distributions shall be effective on the later of: (a) the date elected subject to any restrictions of the Plan and Code and any Fixed Account rider(s); or (b) the date of the Request.

### 8.3 Total or Partial Lump Sum Payment Option

If, based upon information provided by Plan Sponsor, the Payee is entitled to a Distribution under the applicable terms and provisions of the Plan and the Code sections governing the Plan, all or a portion of a Participant Account may be applied to a lump sum payment option selected by the Payee.

Subject to the provisions of any attached Fixed Account rider(s), the amount to be distributed is: (i) the amount requested as a lump sum; less (ii) the Applicable Tax, if any, as of the date of the amount distributed, and (iii) any applicable fees and charges.

### 8.4 Periodic Payment Options

If, based upon information provided by Plan Sponsor, the Payee is entitled to a Distribution under the applicable terms and provisions of the Plan and the Code sections governing the Plan, all or a portion of a Participant Account may be applied to a periodic payment option selected by the Payee, subject to any restrictions in a Fixed Account rider(s). Charges and fees will continue to apply. An Applicable Tax, if any, may apply. Periodic payment elections are subject to the administrative procedures of Great-West in effect at the time of the election and the periodic payment options Great-West makes available at the time of Distribution.

If a Participant is receiving periodic payments, such payments will cease as of receipt by Great-West of notice of the Participant's death. The deceased Participant's Beneficiary may then elect a payment option under this Section 9 meeting all the requirements of Code section 401(a)(9).

### 8.5 Annuity Payment Options

If, based upon information provided by Plan Sponsor, the Payee is entitled to a Distribution under the applicable terms and provisions of the Plan and the Code sections governing the Plan, all or a portion of a Participant Account may be applied to an annuity payment option selected by the Payee, so long as the requirements of Code section 401(a)(9) are met. Thereafter, this Contract shall no longer be applicable with respect to amounts in the annuity payment option.

The amount to be applied to an annuity payment option is: (i) the portion of the Participant Account Value elected by Payee subject to any restrictions in a Fixed Account rider(s), less (ii) Applicable Tax, if any, less (iii) any fees and charges described in the Contract.

The minimum amount that may be applied under the elected annuity option is \$5,000. If any payments to be made under the elected annuity payment option will be less than \$50, Great-West may make the payments in the most frequent interval that produces a payment of at least \$50.

Great-West will issue a certificate to each Annuitant describing the benefits payable under the elected annuity payment option.

#### 8.6 Election of Annuity Options

An Annuitant is required to elect an annuity payment option. The Annuitant must Request an annuity payment option or change an annuity payment option no later than 30 days prior to the Annuity Commencement Date.

To the extent available under the Plan, the available annuity payment options are:

Income for Single Life Only

Income for Single Life with Guaranteed Period

Income for Joint Life Only

Income for Joint Life with Guaranteed Period

Income for a Specific Period

Any other form of annuity payment permitted under the Plan, if acceptable to Great-West.

The annuity option that will always be available is the Income for Single Life Only Annuity. If this annuity option is elected, Great-West will make payments to the Annuitant at a frequency specified in the annuity certificate for the duration of the Annuitant's lifetime. Payments will cease pursuant to the terms of the certificate.

#### Minimum Monthly Payment for Each \$1,000 of Participant Account Value Applied to Purchase a Lifetime Monthly Annuity

<u>Age of Payee</u>	<u>Lifetime Monthly Payment</u>
50	\$4.00
55	4.28
60	4.66
65	5.20
70	5.98
75	7.16

#### 8.7 Misstatement of Age or Death

Great-West may require adequate proof of the age and death of any Payee before processing a Request for or making any payment. If the age of the Payee has been misstated, the payments established for him/her under the applicable payment option will be made on the basis of his/her correct age.

If payments made pursuant to an annuity payment option were too large because of a misstatement of age, Great-West may deduct the difference from the next payment or payments with interest. If payments were too small, Great-West may add the difference to the next payment with interest. Any interest payable will be made at the rate required by law.



## **SECTION 9. CONTRACT TERMINATION**

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### **9.1 Notice of Contract Termination and Selection of Termination Option(s)**

Either Great-West or Plan Sponsor may terminate this Contract with advance written notice to the other party or parties. The contract termination date shall be the seventy-fifth (75<sup>th</sup>) day after the date written notice is received in the Administrative Offices in good order. If the seventy-fifth (75<sup>th</sup>) day is not a Business Day, the contract termination date shall be the Business Day immediately following the seventy-fifth (75<sup>th</sup>) day. Prior to the contract termination date, Great-West and Plan Sponsor may agree to an alternate contract termination date. Contract termination may not occur on the date selected by Plan Sponsor unless Great-West has received all required information. In such event, Great-West shall maintain Participant Account Values until Great-West receives all required information in good order.

### **9.2 Contract Termination Provisions**

Plan Sponsor shall direct Great-West to pay the Participant Account Values as described below.

Fixed Account(s): Great-West will remit the Fixed Account Value pursuant to the Fixed Account rider(s) contract termination option selected.

Plan Sponsor and Contractholder hereby instructs Great-West to deduct any outstanding charges and fees, including the contract termination charge, if applicable, due to Great-West from the amount remitted from any of the Fixed Accounts.

### **9.3 Contract Termination due to Plan Termination**

If Plan Sponsor terminates the Plan, it shall notify Great-West of such Plan Termination and that final Contributions have been remitted to Great-West. Upon notice of Contract Termination Due to Plan Termination, Plan Sponsor agrees to provide any and all information and instructions Great-West requires to properly comply with Plan Sponsor's notification of Plan Termination and subject to the provisions of the Fixed Account rider(s).

Plan Sponsor acknowledges that the amount distributed from the Contract upon Plan Termination shall be equal to the balance of each Participant Account as reflected in the records of Great-West on the date of Distribution subject to the provisions in the Fixed Account rider(s), less all outstanding charges or fees, including an applicable contract termination charge, and reduced by any required income tax withholding or other applicable fees due upon Distribution.

Plan Sponsor shall file any and all required Forms 5500.

If the Plan is abandoned, orphaned or if Plan Sponsor cannot be located or Plan Sponsor fails to provide appropriate representations and instructions to Great-West in connection with termination of the Plan, Great-West is authorized to accept notices, representations and instructions from the Plan administrator or trustee, the bankruptcy trustee for Plan Sponsor, the U.S. Department of Labor, if applicable, or an authorized and appropriate representative of Plan Sponsor. Great-West may also utilize any procedures promulgated by the U.S. Department of Labor, if applicable, or other applicable regulatory agencies for abandoned or orphaned plans including the facilitation of Distributions to Payees performed by a Qualified Termination Administrator, as that term is defined under Federal law and regulations promulgated thereunder, or comparable person as allowed by applicable law.

## **SECTION 10. GENERAL PROVISIONS**

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### **10.1 Contract**

Great-West has issued this Contract to Plan Sponsor and Contractholder in consideration of the Application and payment of the initial Contribution or Deposit.

### **10.2 Entire Contract**

This Contract, including the Application, amendments, endorsements, letter agreements, specification page, if any, and Fixed Account or other rider(s), if any, constitute the entire contract between Plan Sponsor and Great-West.

All statements in the Application, in the absence of fraud, have been accepted as representations and not warranties. Only the President, Vice-President, or the Secretary of Great-West, or their authorized designees, can agree on behalf of Great-West to modify any provisions of this Contract.

One or more provisions of this Contract may be clarified by letter agreement, amendment, or other writing executed by both Great-West and Plan Sponsor.

### **10.3 Contract Modification**

Great-West may modify this Contract from time to time to conform it to changes in tax or other law, including applicable regulations and rulings, without consent of Plan Sponsor or any other person. Great-West will provide notice and a copy of any such modification to Plan Sponsor as soon as reasonably practicable.

Plan Sponsor and Great-West may, by written agreement, make other modifications to this Contract, subject to the approval of the appropriate state department of insurance, if applicable. No such modification will, without the written consent of Plan Sponsor, affect the terms, provisions, or conditions of this Contract, which are or may be applicable to Contributions or Deposits made prior to the date of such modification.

### **10.4 Modification of Fixed Account Options**

Great-West may offer new or cease offering existing Fixed Account options, or make other changes to the Fixed Account options as Great-West deems necessary, and subject to the approval of the state insurance department, if applicable. If Great-West changes material provisions of its Fixed Account options, Great-West will provide at least sixty (60) calendar days written notice to the Plan Sponsor. This notice shall explain any Fixed Account change(s), communicate the timeline and effective date of any Fixed Account change and explain Plan Sponsor's right to opt out of any Fixed Account change. Plan Sponsor's absence of an objection to such notice will be considered consent to the change(s).

If Great-West replaces Fixed Account options and does not receive an objection from the Plan Sponsor, Transfers between account options as disclosed in the notice will be completed by Great-West as of the effective date of the change. Such allocation will be in effect until such time as Great-West receives a written Request for a different allocation.

If Plan Sponsor provides written objection to Great-West within the sixty (60) calendar day notice period, Great-West will not make the Fixed Account change at issue. If Plan Sponsor objects to the Fixed Account change, Great-West may terminate this Contract by providing written notice pursuant to Section 9.1 of this Contract.

### **10.5 Restorations**

Great-West may agree to restore any back-end load charges, market value adjustments, or other investment charges deducted from plan assets under a prior investment option.

#### 10.6 Plan Provisions

In all cases, the plan document shall determine (subject to the Code) the specific features of the Plan, which may include the availability of certain types of investment options, Distributions, loans, and other features allowed but not mandated by the Code. Any provision of this Contract which deals with a feature not included in the Plan shall not apply.

#### 10.7 Non-Participating

This Contract is Non-Participating, meaning that it is not eligible to share in Great-West's divisible surplus.

#### 10.8 Currency and Contributions and Deposits

All amounts to be paid to or by Great-West must be in currency of the United States of America. All Contributions and Deposits to this Contract must be made payable to Great-West or to a designee acceptable to Great-West.

#### 10.9 Notices

Any notice or demand by Great-West to or upon Plan Sponsor or any Payee may be given by mailing it to that person's last known address as stated in Great-West's file via the United States Postal Service or last known email address or facsimile number on file.

An application, report, Request, election, direction, notice or demand by Plan Sponsor or a Payee will be made in a form satisfactory to Great-West. When Great-West requires it, Plan Sponsor will obtain the signature of the Payee on forms provided by Great-West. Great-West must first approve any written materials developed by any other person describing this Contract.

#### 10.10 Disclaimer

Nothing contained in this Contract shall be construed to be tax or legal advice, and Great-West assumes no responsibility or liability for any costs, including but not limited to taxes, penalties or interest incurred by the Plan, Plan Sponsor or any other Payee arising out of a determination of liability. Great-West shall not be held liable for the negligence, willful misconduct, or failure to perform of any third party.

#### 10.11 Representations

Great-West shall be entitled to rely and act solely on the reports, directions, proofs, notices, elections, and other information furnished to it by Contractholder, Plan Sponsor, Participant, Alternate Payees, Beneficiaries or their respective agent, and such acts shall be conclusive and binding as to all persons or corporations claiming an interest hereunder.

#### 10.12 Non-Waiver

The waiver by Great-West of any breach of any term or condition in this Contract will not be deemed a waiver of any prior or subsequent breach.

#### 10.13 Information

Plan Sponsor shall furnish all information that Great-West may reasonably require for the administration of this Contract. Great-West shall not be responsible for any obligation under this Contract until it receives all requested information in a form acceptable to Great-West.

## **GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY**

A Stock Company

8515 East Orchard Road

Greenwood Village, CO 80111

***For inquiries, information or resolution of complaints, call 1-800-701-8255***

### **Fixed Account**

**This Guaranteed Interest Fund ("GIF") Fixed Account rider ("Rider") is part of the Great-West Life & Annuity Insurance Company ("Great-West") Contract to which it is attached.**

#### **Guaranteed Interest Fund**

The GIF is a Fixed Account that is part of the General Account of Great-West. All or a portion of Contributions and Deposits may be allocated to the GIF.

#### **Definitions**

*Competing Fund*- any of the following types of funds offered by the Plan Sponsor:

- (a) any stable value fund; or
- (b) any fund with a known or periodically declared rate of interest; or
- (c) any money market fund; or
- (d) any bond fund with a duration of 3 years or less

*Plan Sponsor Initiated Event* – an action that materially impacts assets in the GIF as it relates to the Plan, including but not limited to a: spin-off; sale; merger; full or partial plan termination, including Distribution of assets performed by a Qualified Termination Administrator, as that term is defined under Federal law and regulations promulgated thereunder, or comparable person as allowed by applicable law; terminating union in a multi-employer plan; terminating participating employer in a multiple employer plan; termination by a political subdivision of a governmental 457(b) plan or a layoff of at least 20% of work force in any twelve month period.

#### **General**

For the purposes of the references in the Rider, Great-West shall use a comparable source if applicable information is unavailable on the United States Federal Reserve Website.

#### **Credited Interest Rate**

Interest earned on the GIF value is compounded daily to the effective annual interest rate. Unless otherwise described in the Rider, the interest rate to be credited to the Contractholder's assets in the GIF during the calendar quarter will be determined by Great-West prior to the last day of the previous calendar quarter and shall be reset at least quarterly. Great-West shall notify Plan Sponsor, Participants, Alternate Payees and Beneficiaries invested in the GIF at least thirty (30) calendar days in advance at the address on file with Great-West should the credited interest rate be reset more frequently than quarterly. All reset credited interest rates shall be declared in advance.

#### **Guaranteed Interest Rate**

The effective annual interest rate will never be less than 0%.

#### **Guaranteed Interest Fund Value**

The value of the Contractholder's assets in the GIF in respect of the Participant Account will be determined as the value of (a) minus (b) where:

- (a) is the sum of Contributions and Deposits by and on behalf of Participants, Alternate Payees and Beneficiaries allocated to the GIF plus interest credited to the Contractholder's assets in the GIF; and
- (b) is the sum of any amounts distributed plus any amounts transferred from the GIF, as well as charges and fees and Applicable Tax, if any.

#### Limitations

Great-West shall defer processing Distribution or Transfer Requests if transactions cannot be executed or settled due to the closing or disruption of financial markets or exchanges. Great-West shall resume the processing Distributions and Transfers once the disruption is resolved.

Plan Sponsor shall not offer Competing Funds, as defined above, unless mutually agreed upon by Great-West and Plan Sponsor.

Should the Plan Sponsor offer a Competing Fund without Great-West's agreement, or should an existing Plan investment option become a Competing Fund and remain available to the Plan without Great-West's prior agreement, and Great-West learns of such Competing Fund, Great-West shall suspend all Transfers out of the GIF upon at least thirty (30) calendar days advance written notice to the Participants, Alternate Payees and Beneficiaries invested in the GIF at the address on file with Great-West. This Transfer restriction shall remain in effect until the Competing Fund is removed as an eligible Plan investment option, or as otherwise mutually agreed.

#### Excessive Trading

Based on Great-West's excessive trading policy, Great-West shall restrict a Participant, Alternate Payee or Beneficiary from making a Transfer into the GIF for up to thirty (30) calendar days from the date of the most recent Transfer from the GIF. Contributions and Deposits, other than Transfers, will be allowed into the GIF during the thirty (30) day period.

#### Plan Sponsor Initiated Events

Plan Sponsor shall provide notification to Great-West at least thirty (30) calendar days in advance of a Plan Sponsor Initiated Event.

Unless a Plan Sponsor Initiated Event causes Great-West to require Plan Sponsor to make an election of a Contract Termination Option in this Rider with respect to the GIF assets affected by the Plan Sponsor Initiated Event or when Great-West and Plan Sponsor otherwise agree, Great-West shall remit the lesser of the Participant Account Value invested in the GIF or the Participant Account Value invested in the GIF as reduced by the Market Value Adjustment Factor formula as described in Contract Termination Option 1 in this Rider upon any Participant, Alternate Payee or Beneficiary Distribution, including a plan to plan Transfer or transfer from a governmental plan to purchase service credits, that occurs within 12 months after the date Great-West recognizes the Plan Sponsor Initiated Event ("Event Date"). The Event Date shall be the Calculation Date for purposes of calculating the Market Value Adjustment Factor. If the average of the 3 year and 5 year Treasury Constant Maturity rates, as of the Event Date, is 300 basis points or more above the lowest weekly average of the 3 and 5 year Constant Maturity Treasuries over the previous 104 weeks from the Event Date, the Market Value Adjustment period above shall apply thirty-six months after the Event Date.

If the Market Value Adjustment Factor is positive, a Market Value Adjustment shall not be assessed.

Any Plan Sponsor choosing to remove the GIF as an eligible Plan investment option but not declare a contract termination date, may Transfer the Group Contractholder's GIF value upon election of Contract Termination Options 1 or 2 as identified in this Rider below, based on mutually agreed upon dates. References to contract termination date shall not apply.

### Contract Termination

At least sixty (60) calendar days before the contract termination date, Plan Sponsor must notify Great-West, in writing, of its selection from among the Contract Termination Options described below. Great-West shall remit all GIF amounts pursuant to the Plan Sponsor elections.

### Contract Termination Options

1. *Lump Sum Payment with Market Value Adjustment* – The Market Value Adjustment will be calculated as of the date Great-West receives notice of contract termination in good order, or another date as mutually agreed (“Calculation Date”). Within seven (7) Business Days after the contract termination date, Great-West will remit the lesser of the total Participant Account Values of the Contractholder’s assets in the GIF (“book value”) or the book value of the GIF adjusted by the Market Value Adjustment Factor described below. If Great-West receives the difference between any reduced MVA and book value from Plan Sponsor prior to the contract termination date, Great-West will remit the book value.

Market Value Adjustment (MVA) = MVAF x (book value)

The Market Value Adjustment Factor (MVAF) is:

$$\text{MVAF} = \left( \frac{(1 + i)^3}{(1 + j + 1.0\%)^3} \right) - 1$$

Where:

*i* is the Three (3) Year Treasury Constant Maturity rate as published in *United States Federal Reserve Website* on the later of the Contract Date and the last Business Day of the week two (2) years prior to the Calculation Date.

*j* is the Three (3) Year Treasury Constant Maturity rate as published in *United States Federal Reserve Website* on the last Business Day of the week prior to the Calculation Date.

2. *Payment at Book Value* – Great-West shall remit the total Participant Account Values of the Contractholder’s assets in the GIF (“book value”) pursuant to a) or b) below. Great-West shall not reset the credited interest rate on the Contractholder’s assets in the GIF after the contract termination date.

- (a) Great-West will remit the book value no later than twelve (12) months after the contract termination date.

Unless Plan Sponsor retains Great-West as the Plan recordkeeper, no Plan loans shall be made from the GIF assets and Contributions and Deposits will not be accepted into the GIF after the contract termination date. A percentage of Transfers, including plan to plan transfers or transfers from a governmental plan to purchase service credits from the Participant Account shall be restricted as of the contract termination date. Great-West shall notify Participants, Alternate Payees and Beneficiaries invested in the GIF of this restriction at least thirty (30) calendar days in advance, at the address on file with Great-West. In the event such notice is provided to a Participant, Alternate Payee or Beneficiary fewer than thirty (30) days before the contract termination date, the restriction shall not take effect for such

Participant, Alternate Payee or Beneficiary sooner than thirty (30) days from the date of such notice.

Distributions may be made from the GIF at any time.

No Plan Sponsor Transfers shall be allowed after the contract termination date.

Option a) shall apply only if, on the date Great-West receives notice of contract termination in good order, the average of the 3 year and 5 year Treasury Constant Maturity rates is less than 300 basis points above the lowest weekly average of the 3 and 5 year Constant Maturity Treasuries over the previous 104 weeks from notice. Great-West shall use published rates from the United States Federal Reserve website. Otherwise, option (b) shall apply.

*Numerical Example: On the date notice of contract termination is received by Great-West in good order, the average of the 3 year and 5 year Treasury Constant Maturity rates is 4.00%. Over the previous 104 weeks from notice, the lowest average of the 3 year and 5 year Treasury Constant Maturity rates from the United States Federal Reserve website was 2.25%. Since 4.00% is less than 300 basis points above 2.25%, option a) applies.*

- (b) Great-West will remit the book value no later than thirty-six (36) months after contract termination date.

Unless Plan Sponsor retains Great-West as the Plan recordkeeper, no Plan loans shall be made from the GIF assets and Contributions and Deposits will not be accepted into the GIF after the contract termination date. Participant, Alternate Payee and Beneficiary Transfers, including plan to plan transfers or transfers from a governmental plan to purchase service credits, shall be restricted to a percentage of Participant Account assets in the GIF pursuant to the following schedule:

<u>Months from contract termination date:</u>	<u>% of Transfers Allowed:</u>
0-12	0%
13-24	a total of 25% of Participant GIF assets as of January 1 <sup>st</sup> in the year of the 13 <sup>th</sup> month.
25-36	a total of 33% of Participant GIF assets as of January 1 <sup>st</sup> in the year of the 25 <sup>th</sup> month.

Great-West shall notify Participants, Alternate Payees and Beneficiaries invested in the GIF of this restriction at least thirty (30) calendar days in advance, at the address on file with Great-West. In the event notice is provided to a Participant, Alternate Payee or Beneficiary fewer than thirty (30) days before the contract termination date, the restriction shall not take effect for such Participant, Alternate Payee or Beneficiary sooner than thirty (30) days from the date of such notice.

Distributions may be made from the GIF at any time.

No Plan Sponsor Transfers shall be allowed

Option b) shall apply only if, on the date Great-West receives contract termination notification in good order, the average 3 year and 5 year Treasury Constant Maturity rates is 300 basis points or more above the lowest weekly average of the 3 and 5 year Constant Maturity Treasuries over the previous 104 weeks from notice. Great-West shall use published rates from the United States Federal Reserve website.

*Numerical Example: On the date notice of contract termination is received by Great-West in good order, the average of the 3 year and 5 year Treasury Constant Maturity rates is 6.00%. Over the previous 104 weeks from notice, the lowest average of the 3 year and 5 year Treasury Constant Maturity rates from the United States Federal Reserve website was 2.50%. Since 6.00% is more than 300 basis points above 2.50%, option b) applies.*

3. *Payment in 20 Quarterly Installments* – Great-West will remit the total Participant Account Values of the Contractholder's assets in the GIF ("book value") in twenty quarterly installments with the first installment comprising 1/20<sup>th</sup> of the book value on the date remitted, that payment being made no later than ninety (90) calendar days after contract termination date. The remaining payments shall be incrementally remitted in fractional amounts of remaining book value each quarter over the succeeding nineteen quarters (e.g. 1/19, 1/18...1/1) until the total book value is remitted.

Unless Plan Sponsor retains Great-West as the Plan recordkeeper, no Plan loans shall be made from the GIF assets and Contributions and Deposits will not be accepted into the GIF after the contract termination date. No Plan Sponsor or Participant, Alternate Payee or Beneficiary Transfers including plan to plan transfers or transfers from a governmental plan to purchase service credits shall be allowed.

Distributions may be made from the GIF at any time.

4. *Any other termination option allowable under applicable law as mutually agreed upon in writing by Great-West and Plan Sponsor.*

Signed for Great-West Life & Annuity Insurance Company on the Effective Date of the Group Annuity Contract.



President



## ADMINISTRATIVE SERVICES AGREEMENT

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This Administrative Services Agreement ("Agreement") sets forth the general terms and conditions under which Great-West Life & Annuity Insurance Company ("Great-West") will provide administrative services to the undersigned Plan Sponsor with respect to Plan Sponsor's defined contribution plan (the "Plan" or "Plans") established pursuant to Code section 401(a), 401(k) or 457(b) (as applicable).

### 1. Definitions

"Agreement" includes this base Administrative Services Agreement as well as the attached Schedule of Services and a separately executed fee schedule or fee proposal ("Fee Schedule").

"Business Day" means any day, and only for as many hours as, the New York Stock Exchange is open.

"Code" means the Internal Revenue Code of 1986, as amended from time to time.

"Empower" and "Empower Retirement" refer to Great-West and its affiliates with respect to products and services offered in the retirement markets, including but not limited to recordkeeping and communication services.

"Plan Sponsor" and "Employer" refer to the undersigned Employer, the Plan Sponsor, Plan Administrator, named fiduciaries, and other delegates of the Employer (other than Empower), as dictated by the context.

### 2. Services Provided by Empower

**2.1. Services.** Empower will provide the services set forth in this Agreement (collectively the "Services"). In the performance of the Services, Empower will act as a non-discretionary service provider directed by the Plan Sponsor in compliance with applicable laws and regulations. The parties agree that the purchase and sale of securities for the Plan, except for employer stock and unaffiliated self-directed brokerage, will be effected through GWFS Equities, Inc., a broker/dealer affiliate of Empower.

**2.2. Non-Fiduciary Status.** Plan Sponsor acknowledges that the Services are ministerial and are not intended to involve the exercise of any discretion that would cause Empower to be a fiduciary or Plan Administrator as defined under the Code, the Investment Advisors Act of 1940, or state law, as applicable. Nothing in this Agreement or otherwise shall result in Empower having any discretionary authority or responsibility for the administration of the Plan, including management of the Plan or disposition of Plan assets. Empower shall not render, or have any authority or responsibility to render, investment advice for a fee or other compensation, direct or indirect, with respect to any Plan assets.

**2.3. No Tax or Legal Advice.** Nothing in this Agreement is intended to constitute legal or tax advice from Empower to Plan Sponsor, or to any other party. Plan Sponsor understands that Empower has not given and may not give legal advice. All issues should be reviewed and discussed with Plan Sponsor's legal counsel and/or tax adviser.

### 3. Responsibilities of Plan Sponsor

Plan Sponsor acknowledges that Empower cannot effectively perform the Services without Plan Sponsor's cooperation. Accordingly, Plan Sponsor acknowledges and agrees that it will fulfill the following duties and obligations.



**3.1. Plan Administrator.** Plan Sponsor, a designated employee or committee, or a third party retained by Plan Sponsor or named in the Plan (other than Empower or one of its affiliates) will be the "plan administrator" and "named fiduciary" as defined by applicable law.

**3.2. Provision of Information.** Plan Sponsor or its designee, including any third parties retained by or on behalf of the Plan or Plan Sponsor, will provide all information necessary for Empower to perform the Services in a manner and format that does not require manual intervention or manipulation by Empower. Plan Sponsor acknowledges and agrees that Empower shall not bear any responsibility for any penalties or other costs incurred as a result of Plan Sponsor's failure to provide such information in a timely manner. Plan Sponsor further acknowledges and agrees that Empower may charge an additional fee if any necessary information is not provided on a timely basis, or in an electronic format usable by Empower without any manual intervention or manipulation. Plan Sponsor agrees that Empower shall be entitled to fully rely upon the accuracy and completeness of information Plan Sponsor submits and that Empower shall have no duty or responsibility to verify such information. If, as a result of incorrect or incomplete information furnished by Plan Sponsor, it becomes necessary to repeat any calculation or service, complete any new forms or revise any completed forms, Empower reserves the right to charge an additional fee. Each party agrees to bear its own interconnect transmission costs and is solely responsible for its own acts and omissions relating to transmitting, receiving, storing and handling documents and information, including the maintenance of all equipment, software and testing necessary to effectively, reliably and securely send and receive such documents and information.

**3.3. Remitting Contributions and Allocation Instructions.** Plan Sponsor agrees that it is solely responsible for collecting and remitting all initial and recurring contributions and loan repayments to Empower electronically via Empower's plan sponsor website, or another mutually agreed-upon manner within the time prescribed by applicable law. Plan Sponsor acknowledges that Empower is not responsible for monitoring the amount and/or timeliness of such contributions and loan repayments. In the event that a Plan participant ("Participant") does not elect investment options, Plan Sponsor directs Empower to invest the contribution in the default investment option under the Plan at the time the contribution is received. Plan Sponsor acknowledges that Empower reserves the right to either reject contributions remitted via ACH without proper proceeds or to assess an additional processing charge, and that in such event Empower further reserves the right to reject all future ACH contribution remittances from Plan Sponsor. With respect to Plan- or Plan Sponsor-initiated distributions or rollovers, Plan Sponsor hereby instructs and authorizes Empower to rely upon the information on Empower's recordkeeping system for purposes of tax reporting and withholding, and to treat payees with U.S. addresses as U.S. persons and payees with foreign addresses as foreign persons. Plan Sponsor certifies that such information is accurate and compliant with the Foreign Account Tax Compliance Act (FATCA) and the Code, and that required documentation supporting such information has been collected by Plan Sponsor.

**3.4. Plan Document and Compliance Responsibilities.** Plan Sponsor has the responsibility to ensure that the Plan documents are accurate and complete and that the Plan is being operated in accordance with its terms and applicable law. Plan Sponsor shall provide Empower with a signed copy of the Plan document and all amendments to the Plan document within thirty (30) days after such document and/or amendment is adopted. Plan Sponsor acknowledges that it is responsible for reviewing the accuracy and completeness of all Plan document services performed by Empower, if any. Plan Sponsor is solely responsible for ensuring that a Plan is qualified under the Code.

**3.5. Disclosures.** Plan Sponsor agrees to comply with all of its notice and disclosure responsibilities under applicable law.

**3.6. Investment Options.** Plan Sponsor is responsible for the selection of all investment options made available under the Plan ("Investment Options") based on Plan Sponsor's independent evaluation, or that of its registered investment advisor, consultant, broker or other agent, as applicable. Plan Sponsor must notify Empower in writing of the Investment Options intended to be serviced by Empower and such Investment Option services are only provided as agreed upon by Empower and may be subject to certain limitations or conditions. Plan Sponsor acknowledges that the Plan's transition to Empower may be delayed if there is a change in the investment option selections.

As part of the Services provided by Empower, the Plan's assets may be invested in a group annuity contract and/or array of funds offered by Great-West, its affiliates or other investment providers (the "Investment Program"). Empower may add, delete and/or replace available investment options offered under the Investment Program with at least sixty (60) days written notice to Plan Sponsor or the Plan fiduciary. This notice will explain the fund change, communicate the timeline and effective date of the fund change, provide information on fees received by Empower or an affiliate from a fund company, and explain Plan Sponsor's or the Plan fiduciary's right to opt out of the change. Plan Sponsor or the Plan fiduciary will be deemed to have approved such change unless Plan Sponsor's or Plan fiduciary's written objection is received by Empower within the sixty (60) day notice period. If Plan Sponsor or the Plan fiduciary objects to the fund change, Empower may terminate this Agreement, but will continue to provide services for at least sixty (60) days after the effective date of the fund change.

If allowed within the Investment Program, Plan Sponsor may request an addition, deletion, and/or replacement with respect to investment options available in the Plan. Plan Sponsor must provide Empower with notice of the intended change sixty (60) days prior to the intended date of the fund lineup modification. Empower must confirm, in writing, its ability to administer any requested fund additions, deletions and/or replacements prior to these changes being implemented. Once Empower receives notice of such fund change request, Empower will assess the Plan's pricing and the selected fund company's administrative requirements. Empower reserves the right to decline a fund change request if Empower is unable to administer the fund requested. Additionally, Empower reserves the right to reevaluate and modify the Fee Schedule as part of the request, and the Plan Sponsor acknowledges that such a request could impact the fees paid by the Plan or Plan Sponsor. The Plan Sponsor shall provide sufficient notice of the Plan's desired fund change to provide Empower with the opportunity to conduct the necessary review and to ensure that Plan participants can be provided with notification of fund changes at least thirty (30) days prior to the effective date of the change. If applicable, Plan Sponsor agrees to cooperate with Empower to create and deliver all necessary participant communications, and acknowledges that there may be an additional cost for such communications.

If Plan Sponsor offers Plan Investment Options that are recordkept outside of this Agreement ("Outside Assets"), Plan Sponsor hereby instructs Empower to restrict any and all transfers between the Outside Assets and the Plan assets recordkept under this Agreement. If Plan Sponsor has selected a Great-West annuity product, Plan Sponsor agrees that any provision(s) of the group annuity contract to the contrary are inoperable with respect to the Plan.

Plan Sponsor acknowledges that Empower or its affiliates may receive fees from mutual fund families or other Investment Option sponsors or their affiliates for providing certain administrative or other services thereto ("Fund Service Fees"). Plan Sponsor may request additional information regarding such fees at any time. If the provider of an Investment Option causes an Investment Option to become unavailable, Empower will notify Plan Sponsor as soon as practicable after the Investment Option Sponsor notifies Empower. If any employer securities are included as an Investment Option or are otherwise contributed under the Plan, (i) Plan Sponsor shall be responsible for any Securities and Exchange Commission (the "SEC") or state registration, prospectus delivery or Form 11-K annual

reporting requirements; and (ii) Empower shall not be responsible for the enforcement of or compliance with any SEC or Employer regulations or policies related to insider trading in Employer securities or the reporting of such trading. Plan Sponsor acknowledges that the SEC requires mutual fund companies to establish procedures to prevent market timing and excessive trading. Plan Sponsor agrees to adhere to the terms and conditions of such procedures included with this Agreement, as amended from time to time.

**3.7. Payment of Plan Expenses.** Plan Sponsor may direct Empower in writing to deduct Plan expenses from the Plan to the extent Plan Sponsor has determined that deduction is specifically allowed by the Plan document and applicable law, and to remit to the party designated by the Plan Sponsor.

**3.8. Direction by Plan Sponsor.** In performing the Services, Empower is acting at the direction of the Plan Sponsor or other named fiduciary of the Plan. Plan Sponsor agrees to provide direction in a manner reasonably requested by Empower, and Empower may rely upon any such direction, whether provided electronically or in writing, by a person that Empower reasonably believes to be authorized to act on behalf of the Plan Sponsor or other named fiduciary. Plan Sponsor agrees that all services and procedures to be followed by Empower as set forth in any service profile, summary plan description (if applicable), plan administrative guide, administrative form or other similar document will constitute direction by the Plan Sponsor to Empower, unless Plan Sponsor indicates otherwise. Plan Sponsor specifically intends that Empower will have no discretionary authority with respect to such "deemed" approved transactions, and that Empower's responsibility is limited solely to confirming it has been provided in good order and in accordance with the procedure.

**3.9. Electronic Delivery.** Empower will deliver plan-related documents to Participants under this Agreement in an electronic manner, to the extent available, including the following:

**3.9.1.** Quarterly benefit statements will be posted to the participant website after quarter end. Participants will receive an annual notice advising them of the availability of the quarterly statement on the participant website and the right to receive a paper copy of the statement.

**3.9.2.** Plan notices to be delivered by Empower will be delivered via email to the Participant's work utilized email address as provided to Empower by the Plan Sponsor or, if the Participant has affirmatively elected on the participant website, to the email address provided by the Participant or, if neither, via regular mail.

By providing Empower with a Participant's work utilized email address, the Plan Sponsor confirms that delivery of plan-related documents to such work utilized email address satisfies the Department of Labor's regulations (§2520.104b-1) regarding electronic delivery of plan-related documents. Participants may elect on the participant website or by contacting an Empower customer services representative to receive quarterly statements and plan notices via regular mail at any time.

**3.10. Review of Reports.** Plan Sponsor and Participants are responsible for reviewing and monitoring reports made available by Empower (whether provided electronically, by posting on an Empower website, or otherwise) regarding Plan activity, transactions and investments to verify that the investments indicated in the reports properly reflect the investment directions provided by the Plan Sponsor or the investment elections made by Participants, as applicable. Empower's performance of its obligations under this Agreement shall be conclusively presumed to be accurate unless Plan Sponsor or a Participant provides Empower with proper notice of discrepancies.



**3.11. Error Correction.** If Empower makes an Investment Option transaction error, and it is brought to Empower's attention in a timely manner, Empower will, at its own expense, retroactively correct the error by putting the Participant back in the financial position where the Participant would have been had the error not occurred. In the case of other Empower errors, Empower will, within a reasonable time after being notified of or discovering such error, notify the Plan Sponsor and, as authorized by Plan Sponsor, take commercially reasonable steps consistent with Internal Revenue Service, Department of Labor and other agency guidelines, where applicable, to correct such error. Empower will have no liability for an error or mistake caused by acts or omissions of the Plan Sponsor, Participants or any other third party. If a correction is made at Empower's expense and results in a net loss, Empower will bear the loss. However, if the correction results in an unintended net gain, Empower will retain the gain as compensation for services provided to the Plan and to defray costs of servicing the Plan including offsetting net losses as described above.

**3.12. Requirement to Appoint a Trustee.** Plan Sponsor is responsible for determining whether to appoint a trustee to provide trust services to the Plan and for selecting the trustee. If Plan Sponsor chooses to fund the Plan exclusively through a Great-West group annuity contract, if available, the annuity contract may be used in lieu of a separate trust agreement, and Plan Sponsor will be considered the deemed trustee. If a trust agreement is used, Plan Sponsor agrees to have the trustee execute such agreement and all other documents required to establish and operate the trust.

Any trustee or custodian selected by Plan Sponsor for the Plan must be able to interface with Empower's recordkeeping system in a "passive" role and all assets must be transferred to the omnibus custodial bank account. Plan Sponsor agrees to require the trustee or custodian to provide to Empower all information in the possession of the trustee or custodian that is necessary for the performance of Empower's duties under this Agreement.

If Plan Sponsor chooses to retain Wells Fargo Bank, N.A. ("Wells Fargo") to serve as a Plan trustee or custodian, Plan Sponsor agrees to execute any and all documents required to establish the trust or custodial account. If Plan Sponsor, another entity or named employees serve as trustee of the Plan and Wells Fargo does not serve as a trustee, Plan Sponsor agrees to enter into a custodial agreement or other applicable agreement with Wells Fargo for the receipt of contributions..

Plan Sponsor acknowledges that any change to the trustee and/or custodial setup or relationships during implementation may delay the Effective Date.

#### **4. Fees & Charges**

**4.1. Fees.** Plan Sponsor agrees to pay Empower for the Services in accordance with the Fee Schedule, excluding any applicable sales, use, excise, services, consumption and other taxes or duties as described in Section 4.2 below. To the extent not paid by the Plan, Plan Sponsor agrees to pay Empower for services provided to the Plan. To the extent fees are not guaranteed in the Fee Schedule, Empower reserves the right to change its fees upon ninety (90) days' advance written notice to Plan Sponsor. Plan Sponsor directs Empower to debit from the Plan the amount of fees payable to any outside third parties retained by Plan Sponsor to provide plan administration, investment advisory, or other services ("Plan Service Providers"), as detailed in the Fee Schedule, and to remit the fees directly to the Plan Service Provider.

**4.2. Taxes.** Unless Plan Sponsor provides Empower with a valid and applicable exemption certificate, Plan Sponsor will reimburse Empower for sales, use, excise, services, consumption and other taxes or duties that Empower is required to collect from the Plan Sponsor and which are assessed on the

purchase, license and/or supply of Services. Plan Sponsor and Empower shall each bear sole responsibility for all taxes, assessments and other real property related levies on its owned or leased real property, personal property (including software), franchise and privilege taxes on its business, and taxes based on its net income or gross receipts. If applicable, Plan Sponsor and Empower shall reasonably cooperate to more accurately determine each party's tax liability and to minimize such liability to the extent legally permissible.

## **5. Confidential Information**

**5.1.** In order to perform the Services, both parties may have access to certain information of the other party, including, without limitation, trade secrets, commercial and competitively sensitive information of the party related to business methods or practices, and proprietary software or websites of the party ("Confidential Information"). For the purpose of clarity, any software or website owned, licensed or made available by Empower ("Empower Software") is Confidential Information of Empower. The parties mutually agree to hold all Confidential Information of the other party in confidence and not to disclose any Confidential Information of the other party to anyone except the parties' affiliates, suppliers, and respective personnel in connection with the performance or receipt of Services hereunder or as directed or approved by the other party or its agents. Confidential Information does not include: information that is otherwise in the public domain through no action of the non-disclosing party; information that is acquired by a party from a person other than the other party or its agents without any obligation of confidentiality; or information that is independently developed by a party without reference to the Confidential Information of the other party.

**5.2.** In the event a party is required to make a legally required disclosure of the other party's Confidential Information, such party shall notify the other party of the disclosure as soon as reasonably practicable, and shall cooperate with any efforts by such party to obtain protective treatment of such Confidential Information to the extent permitted by law. The foregoing shall not apply to broad-based regulatory examinations associated with a party's general business or operations, to disclosures made in conjunction with a law enforcement investigation, or where notice is prohibited by law.

## **6. Privacy & Data Security**

**6.1.** Empower and Plan Sponsor agree to maintain and hold in confidence all Nonpublic Personal Information received in connection with the performance of Services under this Agreement ("NPI"). Empower and Plan Sponsor agree that their collection, use and disclosure of any and all NPI is and will be at all times conducted in compliance with all applicable data protection and/or privacy laws, rules and/or regulations. NPI includes personally identifiable financial information as defined by Title V of the Gramm-Leach-Bliley Act. Plan Sponsor authorizes Empower to disclose NPI to its affiliates, service providers, and Plan Service Providers, in accordance with Empower's Privacy Notice, a copy of which is attached to this Agreement.

**6.2.** The parties will use best efforts to secure NPI through the use of appropriate physical and logical security measures, and will take all commercially reasonable organizational and technical steps to protect against unlawful and unauthorized processing of NPI. For purposes of this section, NPI includes user credentials, passwords, and other authentication data that enables Plan Sponsor, its authorized agents, or Participants to access Empower Software. The parties will promptly notify the other in the event of (i) any breach of the party's security measures that results in unauthorized access to NPI; (ii) the consequences of the breach; and (iii) the corrective action taken to remedy the breach.

**6.3.** Upon request, Empower will provide Plan Sponsor or its designated agent with information (which may include NPI) received from or in relation to Participants in connection with the



performance of services under this Agreement including recorded phone calls and written and electronic correspondence. To the extent Plan Sponsor requests such information, Plan Sponsor agrees to indemnify Empower and to waive, absolve and forfeit any claims against Empower for providing such information to the Plan Sponsor or its designated agent.

**6.4.** For purposes of Rule 14(b)-1 and Rule 14(b)-2 of the Securities Exchange Act of 1934, as amended from time to time, Plan Sponsor authorizes Empower, and/or its affiliates and services providers, to provide the name, address and share position of the Plan with respect to any class of securities registered under the Investment Company Act of 1940 when requested by such SEC registrant for purposes of shareholder meetings. The above-referenced rules prohibit the requesting SEC registrant from using the Plan's name and address for any purpose other than corporate communications of the type contemplated under the rules.

## **7. Business Continuity & Disaster Recovery**

**7.1.** Empower will maintain business continuity and disaster recovery procedures to address the security, integrity and availability of the technology, operational, financial, human and other resources required to provide the Services. Such procedures shall be designed to enable Empower to continue to perform mission-critical Services in the event of a natural disaster or other interruption of normal business operations. Further, Empower agrees to review and test such disaster recovery procedures at least once annually.

**7.2.** GWFS Equities, Inc.'s current Business Continuity Plans Notice is attached to this Agreement. By executing this Agreement, Plan Sponsor acknowledges receipt of this Notice.

## **8. Records & Audit**

**8.1. Record Retention.** Empower shall retain all records in its custody and control that are pertinent to performance under this Agreement in accordance with its record retention policy and as required by applicable law. Subject to the foregoing, each party agrees to return or destroy the other party's Confidential Information and NPI once it is no longer required for the purpose of performing or receiving the Services, provided that the parties are not obligated to destroy copies of Confidential Information or NPI that must be retained for audit, legal or regulatory purposes, or is stored in non-readily accessible electronic format, such as on archival systems.

**8.2. SSAE 16.** Each year upon the request of Plan Sponsor, Empower will provide Plan Sponsor with a copy of the review performed by Empower's external auditors under the "Statement of Standards for Attestation Engagements Number 16 Reporting on Controls at a Service Organization of the American Institute of Certified Public Accountants (SSAE16) SOC 1, or any new or replacement standard or protocol established by the American Institute of Certified Public Accountants.

## **9. Intellectual Property Rights**

**9.1. Plan Sponsor Materials.** As between the parties hereto, excluding the Empower Materials (as defined below), Plan Sponsor shall own all trademarks, trade names, logos, trade dress, and other Confidential Information provided or made accessible by Plan Sponsor to Empower in providing the Services (collectively, the "Plan Sponsor Materials"). Plan Sponsor Materials do not include data and information in the form maintained by Empower or supplied to Plan Sponsor by Empower. Plan Sponsor grants to Empower a nonexclusive, nontransferable and non-sublicensable license to use Plan Sponsor



Materials in connection with its provision of the Services. Plan Sponsor grants Empower a limited, revocable right and license to use Plan Sponsor's trade name, logo or trademark, general Plan design information, and aggregated data that does not contain NPI in materials created by Empower and for the purpose of promotion, advertisement or prospecting for new clients, including, without limitation, media releases, requests for proposals, case studies, and sales and marketing material.

**9.2. Empower Materials.** As between the parties hereto, Empower and its affiliates shall own all materials, documentation, user guides, forms, templates, business methods, trademarks, trade names, logos, websites, Empower Software, technology, computer codes, domain names, text, graphics, photographs, artwork, interfaces, and other information or material provided by Empower or its affiliates hereunder (collectively, the "Empower Materials"). Empower grants to Plan Sponsor and Participants (as applicable) a nonexclusive, non-transferable and non-sublicensable license to use the Empower Materials during the term of the Agreement solely for purposes of using Empower's Services hereunder and subject to the terms and conditions set forth in this Agreement and any terms of use associated with Empower Software. All rights with respect to the Empower Materials not specifically granted hereunder are reserved by Empower.

## **10. Liability & Indemnification**

**10.1.** Empower agrees to indemnify the Plan Sponsor from and against any and all expenses, costs, reasonable attorneys' fees, settlements, fines, judgments, damages, liabilities, penalties or court awards asserted by a third party (collectively, "Damages") to the extent resulting from Empower's breach of this Agreement, negligence, or willful misconduct. Notwithstanding anything to the contrary herein, Empower shall not be liable to Plan Sponsor for any Damages resulting from: 1) any acts or omissions undertaken at the direction of the Plan Sponsor or any authorized agent thereof; 2) any direction of any third party retained by Plan Sponsor to provide services relating to the Plan, including but not limited to prior service providers, investment advisors, or any authorized agent thereof; or 3) any performance of the Services that is in strict compliance with the terms of this Agreement.

Plan Sponsor acknowledges that Empower and its directors, officers, employees and authorized representatives are not responsible for the investment performance of any Investment Options under the Plan.

**10.2. Limitation of Liability.** NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY INDIRECT, SPECIAL, PUNITIVE, INCIDENTAL, OR CONSEQUENTIAL DAMAGES (INCLUDING, WITHOUT LIMITATION, LOSS OF REVENUE OR PROFIT) EVEN IF THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

**10.3. Insurance.** Empower will, at its own cost and expense, procure and maintain in full force and effect throughout the term of this Agreement insurance coverage that is reasonably appropriate to the Services provided under this Agreement. The requirements in this section are not intended to, and will not in any way, limit or qualify the liabilities and obligations of Empower under this Agreement.

## **11. Dispute Resolution**

The parties shall engage in reasonable and good faith discussions to resolve any dispute arising out of or relating to this Agreement. If the parties are unable to agree between themselves, the parties will submit the dispute to non-binding mediation conducted by a private mediator agree to by both parties.



If the parties cannot agree on a mediator, the mediator may be selected by a nationally recognized, independent arbitration or mediation organization to which the parties mutually agree. The costs of mediation shall be borne equally by the parties, and each party shall pay its own expenses. If the parties are unable to resolve the dispute through non-binding mediation, either party may initiate litigation; provided, however, that if one party requests mediation and the other party rejects the proposal or refuses to participate, the requesting party may initiate litigation before the expiration of the above period.

## **12. Termination**

**12.1. Effective Date.** This Agreement will be effective as of the Effective Date specified in the Signature Page and will continue in effect for the initial term, if any, specified in the Fee Schedule and will continue thereafter until terminated in accordance with the termination provisions of this Agreement.

**12.2. Termination.** This Agreement may be terminated by either party, in whole or in part, by delivering sixty (60) days advance written notice to the other party. Plan Sponsor directs Empower to deduct any and all outstanding expenses and fees owed to Empower from the Plan's trust on the termination date, unless paid by Plan Sponsor. Plan Sponsor agrees to amend the Plan, if necessary, to provide for the payment of expenses from the Plan consistent with the foregoing. Upon termination of this Agreement, Empower will cease to provide the Services. Plan Sponsor acknowledges that after the termination of this Agreement, Plan Sponsor will be responsible for performing all actions required to be taken with respect to the Plan including, but not limited to: processing of contributions, loans and distributions, and the distribution of forms to Participants. On and after the actual date of termination of this Agreement, Empower shall have no further obligations hereunder except as set forth in this subsection. Notwithstanding the foregoing, upon a written request by Plan Sponsor, Empower will provide Plan Sponsor, or a designated successor service provider, with Plan data and other information residing on Empower's recordkeeping system in Empower's standard format or another mutually agreeable format. Any request for Empower to provide information other than in its standard format shall be at Empower's sole discretion, and Plan Sponsor agrees to pay all fees, costs and expenses associated with such a request.

**12.3. Plan Termination.** If the Plan terminates, Empower may utilize any procedures promulgated by the U.S. Department of Labor or other applicable regulatory agencies for abandoned or orphaned plans, including the facilitation of distributions to payees and any other required plan termination requirements.

## **13. Miscellaneous**

**13.1. Affiliates & Agents.** Plan Sponsor acknowledges and agrees that Empower may utilize the services of affiliates, agents, vendors and suppliers selected by Empower. Empower's use of any such party will not relieve Empower of its obligations hereunder, and Empower shall at all times remain liable for the performance of the Services hereunder.

**13.2. Relationship of the Parties.** The relationship between the parties is that of independent contractors. Neither Empower nor its personnel shall be considered employees of Plan Sponsor for any purpose. None of the provisions of this Agreement shall be construed to create an agency, partnership or joint venture relationship between the parties or the partners, officers, members or employees of the other party by virtue of either this Agreement or actions taken pursuant to this Agreement.

**13.3. No Third Party Beneficiaries.** This Agreement is solely for the benefit of the parties hereto and their affiliates and is not intended to confer any rights or remedies upon any other person.

**13.4. Assignment.** This Agreement shall be binding upon and inure to the benefit of each of the parties, their affiliates, successors and permitted assigns; provided, however, that neither party may assign its rights or obligations hereunder without the other party's prior written consent. Notwithstanding the foregoing, a party may assign this Agreement in connection with: (i) the sale of substantially all of its assets or the assets of any business unit to an entity that assumes the assignor's obligations under this Agreement; (ii) a merger, acquisition or divestiture; and/or (iii) a transfer to a parent or affiliate, in each case without the other party's consent.

**13.5. Entire Agreement.** This Agreement, including all Exhibits, Schedules, notices and attachments, constitutes the entire agreement of the Parties with respect to the subject matter hereof and supersedes all prior drafts, agreements, negotiations and proposals, written or verbal, relating to the Services. Except as otherwise provided herein, this Agreement may be modified only by an Amendment signed by authorized representatives of each party. Notwithstanding the foregoing, Empower may unilaterally amend the Agreement in order to comply with applicable laws, to add or enhance the Services, or to update the method of providing the Services, by providing written notice to Plan Sponsor at least 30 days in advance of the effective date of such change and explaining Plan Sponsor's right (if any) to opt out of the change. Service elections or modifications that alter the terms of the Schedule of Services or the Fee Schedule may be reflected in a new version of such document, which will be produced by Empower and made available to Employer, and which shall replace all prior versions of such document(s). Any Empower notices or policies that are attached to or referenced in this Agreement may be modified by Empower at any time. No waiver of any breach of any provision of this Agreement shall constitute a waiver of any prior, concurrent or subsequent breach of such provision or any other provision hereof and no waiver shall be effective unless made in writing.

**13.6. Governing Law; Waiver of Jury Trial.** This Agreement shall be construed and enforced in accordance with and governed by the laws of the state of the Plan Sponsor's residence, without regard to conflict of law principles, and any claim arising under or related to this Agreement shall be subject to the exclusive jurisdiction of the federal and state courts located in the Plan Sponsor's state of residence. Both parties agree to waive any right to have a jury participate in the resolution of any dispute or claim arising out of, connected with, related to or incidental to this Agreement to the fullest extent permitted by law. Plan Sponsor agrees that to the extent it can assert sovereign immunity under applicable law, it waives such sovereign immunity to the extent necessary to permit Empower to enforce the terms and conditions of this Agreement under the dispute resolution mechanism specified herein. Plan Sponsor further agrees to not assert sovereign immunity as a defense to any claim or action that Empower may bring relating to this Agreement.

**13.7. Unclaimed Property.** With respect to any unclaimed property, Empower's standard policy is to follow state unclaimed property regulations and escheat assets in those accounts to the Plan or Participant's state of residence based on Empower's records. By executing this Agreement, Plan Sponsor acknowledges and agrees that this standard policy will be applied to any unclaimed property associated with the Plan. However, Plan Sponsor may direct Empower, in writing, to treat the Plan's unclaimed property in a different manner. If Plan Sponsor directs Empower to dispose of such assets in any manner that differs from or is inconsistent with Empower's standard policy, Plan Sponsor understands and agrees that it is solely responsible for (i) determining whether any assets in those accounts are payable to any State or other jurisdiction under applicable escheat or unclaimed property



laws; and (ii) issuing proper directions to Empower and the Trustee (as applicable) as to disposition of such assets.

**13.8. Website Services.** Empower will, as part of the Services, host, maintain and make certain information available to Plan Sponsor and Participants on a website or websites (the "Website Services"). Plan Sponsor will not use or permit any use of the Website Services (i) in any unlawful or illegal manner; (ii) in any way that could impair the Website Services or any other party's use thereof; or (iii) to distribute, sell, resell, license or transfer any of Plan Sponsor's rights to access or use the Website Services or make the Website Services available to any third party. Any user credentials, including user identification and passwords, established by Plan Sponsor and its delegates or any Participant (each a "User ID") is issued to a specific user and may not be shared or used by any individual other than that user. Plan Sponsor will be responsible for the compliance by its users with the applicable terms of this Section. Empower may terminate the User ID, or portions thereof, for any user involved in a breach of this Section. Plan Sponsor acknowledges that transmissions through the internet are inherently unsecure, that virus protection software, firewalls and other security measures are not foolproof, and that the Website Services and their content are not invulnerable to fraud or hacking. In addition, Plan Sponsor acknowledges that Empower shall from time to time perform scheduled or emergency repairs, maintenance, and disaster recovery testing on the websites, and that such activity, or other circumstances beyond Empower's reasonable control, may cause the Website Services to be unavailable or delayed. Plan Sponsor agrees that Empower shall not be liable for any such delays or downtime in the Website Services, or for any virus or malicious access to the Website Services by third parties, provided that Empower has implemented and maintained security features with respect to the Website Services that are consistent with this Agreement and commercially reasonable industry standards.

**13.9. Force Majeure.** Neither Empower nor Plan Sponsor shall be liable to the other for any and all losses, damages, costs, charges, counsel fees, payments, expenses or liability due to delay or interruption in performing its obligations hereunder, and without the fault or negligence of such party, due to causes or conditions beyond its control, including, without limitation, labor disputes, riots, war and war-like operations including acts of terrorism, epidemics, explosions, sabotage, acts of God, civil disturbance, governmental restriction, transportation problems, failure of power or other utilities including phones, internet disruptions, fire or other casualty, natural disasters, or disruptions in orderly trading on any relevant exchange or market, or any other cause that is beyond the reasonable control of either party.

**13.10. Severability.** The provisions of this Agreement are severable, and if for any reason a clause, sentence, paragraph or provision of this Agreement is determined to be invalid by a court or federal or state agency, board or commission having jurisdiction over the subject matter thereof, such invalidity will not affect other provisions of this Agreement that can be given effect without the invalid provision.

**13.11. Notices.** All formal notices required by this Agreement will be in writing and shall be sent to Empower as set forth below and to the most current Plan Sponsor and trustee address on file with Empower. All notices sent shall be effective upon receipt.

Notice To Empower:

Great-West Life & Annuity Insurance Company  
Empower Retirement Division  
8515 East Orchard Road  
Greenwood Village, CO 80111

With a copy to:  
Great-West Life & Annuity Insurance Company  
8515 East Orchard Road  
Greenwood Village, CO 80111  
Attn: General Counsel

**13.12. Headings; Defined Terms; Counterparts.** Section headings used in this Agreement are intended for reference purposes only and shall not affect the interpretation of this Agreement. Unless the context requires otherwise, capitalized terms defined in this Agreement have the meanings set forth herein for all purposes of this Agreement including any Schedules or Exhibits. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement. The parties' execution and delivery of this Agreement by facsimile, email, or electronic copies shall have the same force and effect as execution and delivery of an original.

**13.13. Survival.** The provisions of the following sections shall survive the termination of this Agreement: Fees & Charges; Confidential Information; Privacy & Data Security; Record Retention; Intellectual Property Rights; Indemnification; Limitation of Liability; Dispute Resolution; Governing Law; Waiver of Jury Trial; Unclaimed Property; Website Services; Survival; Severability; No Third-Party Beneficiaries; and any other section that would by its context be reasonably expected to survive termination.

**13.14. Signatures/Corporate Authenticity.** Plan Sponsor has been provided a signature page ("Signature Page") that applies to this Agreement as well as to certain other documents, which are listed thereon. By signing the Signature Page, the parties certify that they have read and understood this Agreement, that they agree to be bound by its terms, and that they have the authority to sign it. This Agreement is not binding on either party until signed by both parties.

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## **BUSINESS CONTINUITY PLAN NOTICE**

GWFS Equities, Inc., a subsidiary of Great-West Life & Annuity Insurance Company and affiliate of Great-West Life & Annuity Insurance Company of New York\* ("the Company"), maintains a comprehensive business continuity plan designed to respond reasonably and effectively to events that lead to significant business disruption, such as natural disasters, power outages, or other events of varying scope. This plan defines critical functions and systems, alternate work locations, vital books and records, and staff resources, and provides for the continuation of business operations with minimal impact, depending on the severity and scope of the disruption. The plan is reviewed and tested no less than once annually to ensure that the information in the plan is kept current and that documented recovery and continuity strategies adequately support its business operations. Of utmost importance to the plan is the ability for customers to maintain access to securities accounts and assets in those accounts.

In the event that one of the Call Centers or back office operation facilities becomes unavailable for any reason, calls would be re-routed to one of the firm's alternative call center or operations facilities.

In the event of a significant business disruption to the primary office and/or data center, access to customer accounts will be provided via the Company's Web site and voice response system, operated from an alternative data center. Customer Service will continue to be provided by re-routing telephone calls to a Call Center located in one or more alternative sites located outside of the region.

While no contingency plan can eliminate the risk of business interruption, or prevent temporary delays with account access, the firm's continuity plan is intended to mitigate all reasonable risk and resume critical business operations within 24 hours or the next business day, whichever is later.

\* Record keeping and administrative services are provided by Great-West Life & Annuity Insurance Company, and in New York, Great-West Life & Annuity Insurance Company of New York, or one of its subsidiaries or affiliates. Securities offered in your account may be offered through another broker/dealer firm other than GWFS Equities, Inc., a wholly owned subsidiary of Great-West Life & Annuity Insurance Company. Please contact your investment provider for more information if needed.

This disclosure is subject to modification at any time. The most current version of this disclosure can be found on the Web site or can be obtained by requesting a written copy by mail.

BCP – GWFS Customer Notice (Ed. Sept. 2012)



## Privacy Notice

**The Great-West Family of Companies** protects your privacy. We have policies to keep your nonpublic personal information private. We may share it with affiliates and third parties that we do business with, and in other ways permitted by law.

### Our websites

When you visit our websites, we may collect technical and navigational information, such as device type, browser type, Internet protocol address, pages visited, and average time spent on the websites. We use this information for a variety of purposes, such as maintaining the security of your online session, online advertising, facilitating site navigation, improving our websites' design and functionalities, and personalizing your experience. Additionally, we use temporary and/or persistent cookies, web beacons and other similar technologies ("cookies") to support the operation of the Great-West Family of Companies' websites. Cookies are text files that are placed by a client server onto the browser of a visitor to a website. These files are harmless to your computer, and store navigation information as you move throughout the website. These cookies help us to collect information about visitors to our websites. We also use cookies for security purposes and to personalize your experience, such as customizing your screen layout. On their own cookies do not contain or reveal any personally identifiable information. However, if you choose to furnish us with personally identifiable information, this information can be associated with the data collected using the cookies.

The Great-West Family of Companies and third-party service providers we hire may use cookies in online advertising. We do not share personally identifiable information about our customers with these third-party service providers, and they do not collect such information for us. These third-party service providers help us determine which products and services offered by the Great-West Family of Companies may be of interest to you. These service providers may collect information about your activity on our websites using cookies and other technologies to analyze, for example, pages visited, search engine referrals, browsing patterns, and responses to advertisements and promotions. Such service providers may only collect and use such information for purposes specified by us and not for their own purposes. Third-party advertising companies may use these cookies to optimize the placement by the Great-West Family of Companies of our online advertisements on unaffiliated websites. We do not share personally identifiable information about our customers with these third-party service providers, and they do not collect such information for us. You can refuse or delete cookies. Most browsers and mobile devices offer their own settings to manage cookies. If you refuse a cookie when accessing one of the Great-West Family of Companies' websites, or if you delete cookies, you may experience some inconvenience in your use of our websites. For example, you may not be able to sign in and access your account, or we may not be able to recognize you, your device, or your online preferences.

### Information we collect

We collect and store information. It comes from forms that you complete, when you access our websites, from business you have conducted with us and other parties we do business with, and from consumer and insurance

- Great-West Life & Annuity Insurance Company
- The Great-West Life Assurance Company (US operations)
- Great-West Life & Annuity Insurance Company of New York
- Great-West Financial Retirement Plan Services, LLC
- Advised Assets Group, LLC
- GWFS Equities, Inc. ‡
- The Canada Life Assurance Company (US operations)
- Emjay Corporation
- Empower Retirement ‡‡
- FASCore, LLC
- Great-West Life & Annuity Insurance Company of South Carolina
- Great-West Capital Management, LLC
- Great-West Funds, Inc.
- Great-West Trust Company, LLC
- Westkin Properties Ltd.

‡ GWFS Equities, Inc. is a Member of the Securities Investor Protection Corporation ("SIPC"). You may obtain information about SIPC, including the SIPC brochure, by contacting SIPC: Securities Investor Protection Corporation  
805 15th Street, N.W. Suite 800  
Washington, D.C. 20005-2215  
Email: [asksipc@sipc.org](mailto:asksipc@sipc.org)  
Tel: (202) 371-8300  
Information about SIPC is also available at [www.sipc.org](http://www.sipc.org).

‡‡ Empower Retirement refers to the products and services offered in the retirement markets by Great-West Life & Annuity Insurance Company, Great-West Life & Annuity Insurance Company of New York, and their subsidiaries and affiliates.

<p>reporting companies.</p> <p><b>Security of your information</b></p> <p>We have physical, administrative, and technical safeguards in place to protect your privacy.</p> <p><b>Access to information</b></p> <p>The only employees who have access to your records are those who need it for business reasons.</p> <p><b>Our information sharing practices</b></p> <p>We limit the information we share and the parties we share it with. We share your information to help you do business with us. What we share depends on the types of products or services you request. As we are only permitted to share your information in ways described in this notice, the Great-West Family of Companies do not respond to "do not track" signals or similar digital privacy mechanisms. For example, we may share information:</p> <ul style="list-style-type: none"> <li>• from business forms that you complete (such as your name, address, SSN, plan or ID number, assets and income from your application)</li> <li>• about your business with us, or others (such as your policy or contract coverage and benefits and payment history)</li> <li>• about your relationship with us (such as the products or services you purchased)</li> <li>• from your employer, benefit plan sponsor, or group product (such as your name, address, SSN, plan or ID number and age)</li> <li>• from consumer and insurance reporting organizations (such as your credit, financial or health history; please note, these organizations may retain information provided to us and disclose it to others)</li> <li>• from other third parties (such as health and demographic information)</li> <li>• from visitors to our websites (such as information you provide online by completing forms, site visit data and "cookies")</li> </ul> <p><b>Sharing of health information</b></p> <p>We won't share your health information, unless such sharing is permitted or required by law. For a description of how we share your health information, please contact our Privacy Officer at the address noted below.</p> <p><b>Sharing information with other parties</b></p> <p>You may permit us to share your information with other parties. Your information may be shared without your consent with our affiliates and other third parties if permitted by law. We do not share your information for any purpose that requires an opt-in or opt-out.</p> <p>Our affiliates are listed and include, but are not limited to, our broker-dealers and our trust company. Your information may be shared to serve you better or to make it easier for you to do business with us.</p> <p>We may also share your information with vendors and financial institutions. Vendors perform services for us such as processing transactions. Financial</p>	<p>Revised 08/2015 (standard + CA)</p>
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institutions such as banks have marketing agreements with us. We have agreements with these parties requiring them to protect the privacy of your information. They are not allowed to use the information other than as specified or permitted by law.

Other disclosures that may be made without your consent, include:

- To detect or prevent fraud & other criminal activity;
- To a medical professional for eligibility or audit purposes;
- In response to a question from a government agency;
- For purposes otherwise permitted or required by law;
- In response to a subpoena or court order;
- To a group policy holder to report claims experience or for an audit;
- In connection with a sale or merger of all or part of our business;
- To a government agency to determine your eligibility for benefits they may have to pay for;
- To a peer review committee to evaluate a medical professional;
- To a certificate holder or policyholder to provide information about the status of a transaction.

#### **Our treatment of information about former customers**

If our relationship ends, we will not share your information with third parties except as the law requires or permits.

#### **Access to information**

You may access your information by submitting a written request that describes the information. We will respond within 30 business days or as required by state law. Our response will explain the nature and substance of the information on record. We will identify, if recorded, the parties we shared your information with over the last 2 years.

**Right to Correct, Amend or Delete Information.** You may submit a written request to us to correct, amend or delete any information in our records. We will respond to your request within 30 business days or as required by state law.

If we agree to your request, we will notify you in writing. We will provide the corrected information to any person you identify that has received the information in the last 2 years and to any insurance reporting organization we may have provided the information to over the last 7 years. If we refuse your request, we will explain why and you will have the right to file a statement of disagreement.

We reserve the right to revise this policy as needed. If changes are made, we'll send you a revised notice and post the new policy on the [www.greatwest.com](http://www.greatwest.com) website.

**Chief Privacy Officer**  
Great-West Life & Annuity Insurance Company  
8525 East Orchard Road  
Greenwood Village, CO 80111

## **Procedures for Complying with Fund Company**

### **Market Timing and Excessive Trading**

The prospectuses, policies and/or procedures of certain fund companies require retirement plan providers offering their fund(s) to agree to restrict market timing and/or excessive trading ("prohibited trading") in their funds. The following procedures describe how we, as your recordkeeper, will comply with fund company instructions designed to prevent or minimize prohibited trading.

Various fund companies instruct intermediaries to perform standardized trade monitoring while others perform their own periodic monitoring and request trading reports when they suspect that an individual is engaging in prohibited trading. If an individual's trading activity is determined to constitute prohibited trading, as defined by the applicable fund company, the individual will be notified that a trading restriction will be implemented if prohibited trading does not cease. (Some funds may require that trading restrictions be implemented immediately without warning, in which case notice of the restriction will be provided to the individual and plan, if applicable). If the individual continues to engage in prohibited trading, the individual will be restricted from making transfers into the identified fund(s) for a specified time period, as determined by the applicable fund company. Individuals are always permitted to make transfers out of the identified fund(s) to other available investment options. When the fund company's restriction period has been met, the individual will automatically be allowed to resume transfers into the identified fund(s).

Additionally, if prohibited trading persists, the fund company may reject all trades initiated by the plan, including trades of individuals who have not engaged in prohibited trading.

Note: certain plan sponsors have or may elect to implement plan level restrictions to prevent or minimize individual prohibited trading. To the extent that such procedures are effective, we may not receive requests for information from the fund companies or requests to implement the restrictions described above.

10/16/07

### Schedule of Services

#### Services provided by Empower

- A. Recordkeeping Services - Core Services.** The following services are core recordkeeping and communication services available to all plans.

#### ***Implementation Services:***

##### **Empower will provide the following conversion services prior to the receipt of assets:**

- Gathering initial plan information;
- Coordinating conversion assets from a prior service provider;
- Reconciling plan assets;
- Loading records onto the recordkeeping system; and
- Assisting Employer's payroll office or payroll vendor to process the next scheduled payroll to Empower on or after the implementation period.

#### ***Implementation Period:***

##### **Merging Plan:**

An existing Employer Plan that is converting to Empower will be subject to an implementation period to facilitate the movement of Participant, Alternate Payee and Beneficiary records and Plan assets from the prior record keeper and/or trustee to Empower.

#### ***Blackout Notice Services:***

##### **Initial Blackout Notices:**

Empower will assist in the preparation of the initial transition blackout notice and will provide the blackout notice to the Plan Sponsor for distribution to Participants, Alternate Payees and Beneficiaries, as requested by the Plan Sponsor. A "Blackout Period" is defined as any period of more than three consecutive Business Days during which the Participant, Beneficiaries and Alternate Payees are prohibited or restricted from exercising certain otherwise available rights, such as directing investment of their accounts, obtaining loans or making distributions. During the implementation period, Plan Sponsor's prior record keeper's improper reporting or incomplete transferred records may impact the blackout period end date. Such an impact may cause an extension of the blackout period, resulting in a second notice. Empower may agree to provide this additional blackout notice if the parties agree in writing.

##### **Future Blackout Notices:**

If mutually agreed to in writing, Empower may provide blackout notices to the Plan Sponsor for distribution to Participants, Alternate Payees and Beneficiaries for fund or other ongoing plan changes that result in a period of more than three (3) consecutive Business Days where the Participant, Alternate Payee and Beneficiary are restricted from exercising certain otherwise available rights such as directing investments of their accounts, obtaining loans or taking distributions.

#### ***Establishment of Accounts:***

##### **1. Participant Accounts:**

- a. Participant accounts shall be established and maintained for each Employer-approved new enrollee and each employee or former employee with a balance in the plan ("Participant"). Each Participant's account record shall consist of the



Participant's name, Social Security number ("SSN"), mailing address, date of birth, and any such other information as required from time to time for provision of services to the Plan.

- b. On and after the receipt of assets, Empower shall maintain a record of each Participant's investment option allocation and transaction received in good order to the recordkeeping system, including:
  - (i) Current and historical investment allocations and percentages for each available investment option.
  - (ii) Current account balances of each Participant in each available investment option and money source.
  - (iii) An accounting of each transaction made to each available investment option and money source.
- c. Empower shall provide each Participant with access to his or her account and investment information via a Web site, the voice response unit ("VRU") and the Client Service Center toll-free telephone number. Participants may use these services to change allocations of future deferrals and/or initiate transfers between and among investment options available under the Plan(s).
- d. Empower shall make available to each Participant a quarterly account statement in Empower's standard format.

Additionally, confirmation will be provided of every completed change requested by a Participant. Participants will also have access to their account activity via the VRU and the Web site.

- e. If applicable, Empower will include vesting information on Participant statements, provided that Plan Sponsor provides Empower with all vesting information required under applicable law.

## **2. Alternate Payee Accounts**

If the Plan accepts Qualified Domestic Relations Orders ("QDROs"), Plan Sponsor hereby instructs Empower to complete an administrative review of all Employer-approved QDROs submitted on or after the Effective Date of this Agreement to ensure that Empower can determine the amount of the Alternate Payee's award, mailing address and SSN. If elected by the Alternate Payee in good order and in a manner satisfactory to Empower, an Alternate Payee account will be established pursuant to the terms of the QDRO, the Plan requirements in effect on the date of account establishment.

## **3. Beneficiary Accounts**

If elected by the Beneficiary(ies) in good order and in a manner satisfactory to Empower, Empower will establish a Beneficiary account pursuant to the terms of the Plan requirements in effect on the date of establishment.

## ***Contribution Processing:***



Contributions sent directly via the PSC and processed with ACH funding by 12:00 Midnight Mountain Time (2:00 am Eastern Time) will be allocated effective the next Business Day (at that Business Day's unit value). Empower may allow other contribution methods which may require different timing. Empower will provide additional information upon request.

In the event that a Participant has not affirmatively elected an investment allocation, Plan Sponsor instructs Empower to allocate to a default fund(s) chosen by the Plan Sponsor.

***Distributions and Forfeitures:***

Empower will create and maintain a record of any distribution, including the distribution reason, from the Plan made with respect to each Payee. If applicable, Empower will provide a Code §402(f) Notice of Special Tax Rules on Distributions to the Payee at the time of distribution. Unless otherwise agreed to in writing, Empower is not responsible for issuing any other Participant, Alternate Payee or Beneficiary notice required by the Code, as applicable. Distributions will be made within two (2) Business Days if Empower receives instructions in good order.

**1. Participant Distributions**

Empower will make distributions to Participants pursuant to the Plan Sponsor's and Participant's distribution requests received in good order.

**2. Alternate Payee Distributions**

Upon receipt by Empower of an Alternate Payee's distribution request in good order and in a manner satisfactory to Empower and completion of a QDRO administrative review discussed above, Empower shall process a distribution pursuant to the terms of the QDRO, the Plan and the Code, as applicable and in effect on the date of the distribution. Plan Sponsor instructs Empower to determine the amount due to the Alternate Payee based solely on the account records on Empower's recordkeeping system.

**3. Beneficiary Distributions**

Plan Sponsor instructs Empower to pay the claimant listed on the Death Benefit Claim form signed by the Plan Sponsor unless there is a conflict between the designation on file with Empower and the claimant listed on the Death Benefit Claim form. In the event of a conflict, the Plan Sponsor will determine which Beneficiary designation will control.

**4. Forfeiture Processing**

If applicable, Empower will calculate forfeiture amounts based upon the Participant's vesting and will place the forfeiture amounts in a separate Plan account as instructed by the Plan Sponsor.

**5. Participant Termination Services**

If the services described in this subsection is made available to the Plan Sponsor by Empower, and if the Plan provides for de minimis Participant accounts to be distributed after termination, then the Plan Sponsor instructs Empower to distribute communication material to the terminated Participant informing them of their distribution options. Such information includes communicating to the Participant that if he/she does not take a distribution of the



account that it will be automatically rolled over into the Plan Sponsor-elected de minimis IRA. Plan Sponsor also instructs Empower to automatically roll any monies remaining in the Plan after a certain period of time following these communications to the rollover provider selected by the Plan Sponsor.

Plan Sponsor permits Empower to send out communication material to terminated participants informing them of their distribution options.

***Transfers:***

Participant, Alternate Payee and Beneficiary-initiated transfers will be processed and effective the Business Day they are received at Empower's home office, if received before the close of the New York Stock Exchange (typically 4:00 p.m. Eastern Time or such earlier time as may have to be implemented to comply with any applicable future law, rule or regulation). If transfers are received at Empower's home office after the close of the New York Stock Exchange, transfers will be processed and be effective the next Business Day (or such earlier time as may have to be implemented to comply with any applicable future law, rule or regulation).

***Tax Reporting of Distributions:***

1. Plan Sponsor appoints Empower as its agent to perform income tax withholding and reporting for all Payee distributions and agrees to provide all necessary information needed by Empower to perform these services.
2. Empower shall deposit the income tax withheld with the Internal Revenue Service ("IRS") and other appropriate governmental entities, as applicable, on or before the applicable due dates for such remittances.
3. Empower will complete necessary tax reporting forms for Payee distributions, file the tax reporting forms with the IRS and send copies to the Payee.

***Plan Loans:***

Empower will process Participant account reduction loans pursuant to the Plan's loan policy and Empower's loan procedures, as amended from time to time. Plan Sponsor agrees to provide an authorization for all Participant loan requests.

***Ongoing Plan Resources:***

1. Empower will provide the Plan Sponsor access to Plan information and electronic approval capabilities via the PSC.
2. Empower will provide the Plan Sponsor access to a Plan Services Representative for assistance with plan questions.
3. Empower shall provide periodic Employer Plan Reports in Empower's standard format.

***Participant Rollover Contributions:***

Plan Sponsor directs Empower to process Participant rollover contributions received in good order pursuant to the Participant's direction in accordance with procedures provided by Empower to the Plan Sponsor and without any further Plan Sponsor approval or authorization.



***Communication and Education (subject to applicable law):***

1. Standard forms, notices and other information necessary for the service provided to the Plan will be provided to Plan Sponsor and to Participants via the PSC and/or through enrollment meetings.
2. Empower will provide investment education and communication materials, which may include education and planning tools, newsletters, brochures, or other materials.

**B. Elective Services.** The following elective services are available upon Plan Sponsor meeting certain requirements. Additional fees may apply.

**1. Eligibility Determination**

Plan Sponsor can instruct Empower to calculate Participant eligibility based on Plan Sponsor's instructions as to the Plan's eligibility requirements. Plan Sponsor instructs Empower to reject the enrollment of any Participant determined to be ineligible. For each ineligible determination, Plan Sponsor instructs Empower to notify the Participant to contact the Plan Sponsor if he or she wishes to appeal the determination.

**2. Online Enrollment**

Plan Sponsor can instruct and authorize Empower to allow online Participant enrollment. Plan Sponsor instructs Empower to issue a Personal Identification Number ("PIN") to every eligible employee, allowing enrollment in the Plan through the Web site and VRU.

**3. Automatic Enrollment**

Empower can perform automatic enrollment and deferral increase services, and create and mail initial and annual automatic enrollment notices, as elected by Plan Sponsor in good order and in a form acceptable to Empower.

**4. Deferral Processing**

Plan Sponsor can instruct and authorize Empower to provide for deferral processing by the Plan Sponsor via the Web site. Participants may access the Web site to input the required payroll deferral amount/percentage information. Plan Sponsor acknowledges that the Deferral Processing service described in this Section shall only be available as long as Empower is the sole record keeper for the Plan.

If Plan Sponsor uses Empower's Automatic Enrollment services, Deferral Processing does not require separate election.

**5. Vesting Services**

Plan Sponsor needs to provide Empower all information necessary to perform vesting services. Employer hereby instructs and authorizes Empower to:

- a. Maintain each Participant's vesting percentage on Empower's recordkeeping system;
- b. Display the Participant's vested account balance on the quarterly statements; and
- c. Calculate and process withdrawals and/or loans according to the vested percentage.

**6. Loan Approval**



Plan Sponsor can instruct and authorize Empower to process, without further Plan Sponsor approval, Participant loan requests submitted in a manner acceptable to Empower. If the Plan is subject to spousal consent requirements, loans may only be initiated by paper forms and not online or by VRU. Plan Sponsor agrees to specifically authorize each principal residence loan request.

#### **7. Distribution Processing**

Plan Sponsor can instruct and authorize Empower to process, without further Plan Sponsor approval, requests for distributions in good order and in a manner acceptable to Empower. If Plan Sponsor does not provide the Participant's termination date or other required information, Plan Sponsor instructs Empower to route the request to Plan Sponsor for approval before processing the distribution.

#### **8. In-Service Distributions at Age 59½ (for 401(k) and 401(a) Plans Only)**

Plan Sponsor can instruct and authorize Empower to process, without further Plan Sponsor approval, Participant age 59½ in-service distribution requests received in good order and in a manner acceptable to Empower. If the Participant's birth date information has not been provided, or if there is a discrepancy between the birth date on the system and the birth date on the form, Empower is instructed to rely on the birth date specified by the Participant on the form.

#### **9. Voluntary In-Service DeMinimus Distributions (for Governmental 457(b) Plans Only)**

Plan Sponsor can instruct and authorize Empower to process, without further Plan Sponsor approval, Participant initiated DeMinimus distribution requests received in good order and in a manner acceptable to Empower. If vesting is applicable and the Participant's birth date information has not been provided, or if there is a discrepancy between the birth date on the system and the birth date on the form, Empower is instructed to rely on the birth date specified by the Participant form.

#### **10. Automated Mandatory Distributions (De Minimis)**

Empower can perform automated mandatory distributions of small account balances, as elected by Plan Sponsor in good order and in a form acceptable to Empower.

#### **11. Beneficiary Record Keeping**

If Empower is and remains the sole record keeper for the Plan during the term of this Agreement, Plan Sponsor can instruct and authorize Empower to accept, maintain and file, without Plan Sponsor's signature, Beneficiary Designation forms received by Empower in good order and in a manner acceptable to Empower. Upon request, Plan Sponsor agrees to provide Empower with any and all Beneficiary information filed with the Plan by the Participant prior to the Effective Date of this Agreement.

If the spousal consent rules apply, Plan Sponsor shall provide Empower with instructions as to the portion of the Participant account for which a Beneficiary may be designated without spousal consent under the Plan. Plan Sponsor instructs Empower to rely on the marital status specified by the Participant on the Beneficiary Designation form and to obtain spousal consent, when applicable.





## **12. Investment Advisory-Related Services**

If the Plan Sponsor meets the relevant underwriting and other requirements, Advised Assets Group, LLC ("AAG"), a federally registered investment adviser and wholly owned subsidiary of Empower, may offer fund performance data and/or similar services regarding the investment options in the Plan through the Plan's recordkeeping and administrative relationship with Empower.

AAG, may separately offer Empower Retirement Advisory Services (Online Investment Guidance, Online Investment Advice and Managed Account service) to the Participants in the Plan through the Plan's recordkeeping and administrative relationship with Empower. Plan Sponsor may instruct AAG to make Empower Retirement Advisory Services available to Plan Participants in accordance with the terms and conditions of the Empower Retirement Advisory Services Agreement between AAG and Plan Sponsor.

### ***Special Investment Options:***

#### **1. Self-Directed Brokerage Accounts**

Plan Sponsor can choose to offer a self-directed brokerage option ("SDB"). Plan Sponsor agrees to complete and execute all documents required to activate the SDB.

#### **2. Life Insurance**

If, at the time of conversion, the Plan has existing life insurance policies, limited services may be available as described in Empower's life insurance guidelines and policies, as updated from time to time. If Empower determines that such services will be offered, Empower will remit insurance premiums to the applicable life insurance provider pursuant to Plan Sponsor's instructions as to the timing and manner of premium remittance. Plan Sponsor may be required to retain a third-party administrator to perform certain compliance and other services. Life insurance cannot be added to an existing Plan. Additional fees may apply.

## **C. Plan Document Services**

Empower will offer a volume submitter plan document, a standard summary plan description and plan document amendments required by changes in applicable laws and regulations. If Plan Sponsor declines to use Empower's volume submitter plan document, it acknowledges that Empower will not be responsible for providing plan document updates or other plan document services as described in the Agreement.



**GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY  
RECORDKEEPING SERVICES AGREEMENT ADDENDUM FOR  
457(b) PLAN ENHANCED PLAN SERVICES**

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This Addendum to the Recordkeeping Service Agreement entered into between Empower and Employer describes certain services under which Empower will process Participant requests without obtaining additional Employer signatures or other specific approvals. In doing so, Empower will not exercise any fiduciary authority or make any discretionary determinations. Rather, this Addendum will act as a one-time instruction and approval by Employer for Empower to process all Participant requests that meet the stated criteria. In addition, Employer, and not Empower, is responsible for reviewing the Plan document to ensure compatibility with the services described in this Addendum.

In order to receive the services detailed in this Addendum, Employer must utilize the PSC and must provide all necessary information via an electronic payroll file. Employer must also provide any additional information or instructions as required by, and in a form acceptable to, Empower. In addition, in most cases, Empower must be the sole recordkeeper for the Plan. Services that involve the processing of distributions to Participants are not available if the Plan includes QJSA/QPSA provisions. If at any time Employer does not meet these general requirements, or does not meet the specific requirements of any service described in this Addendum, Empower will not be required to continue to provide such service.

Employer may elect one or more services by checking the corresponding boxes on the Enhanced Plan Services Election Form. Some services may have a corresponding fee; for further information, please refer to your Fee Schedule.

**1. Eligibility Determination Enrollment**

Employer hereby instructs Empower to calculate Participant eligibility based on Employer's instructions as to the Plan's eligibility requirements and on the Participant information provided by Employer. Employer instructs Empower to reject the enrollment of any Participant determined to be ineligible. For each ineligible determination, Employer instructs Empower to notify the Participant to contact Employer if he or she wishes to appeal the determination. Employer agrees to notify Empower at least thirty (30) days prior to any change in the Plan's eligibility requirements. Empower may discontinue this service if the Plan's new eligibility requirements are incompatible with Empower's requirements.

**2. Online Enrollment**

Employer hereby instructs and authorizes Empower to allow online enrollment. Once the electronic payroll file is transmitted, Employer instructs Empower to issue a Personal Identification Number to every eligible employee, allowing enrollment in the Plan through the website.

**3. Beneficiary Recordkeeping**

Employer affirms that the Plan allows web-initiated beneficiary designations. Employer hereby instructs and authorizes Empower to accept, maintain and file, without Employer's further approval, beneficiary designations received by Empower in good order and in a manner acceptable to Empower. Upon request, Employer agrees to provide Empower with any and all beneficiary information filed with the Plan by Participants prior to the Effective Date.



Employer shall provide Empower with instructions regarding any Plan requirements as to spousal consent for beneficiary designations. If there are any such requirements, Employer instructs Empower to rely on the marital status specified by the Participant on the beneficiary designation form, and to obtain spousal consent, when applicable. If a beneficiary designation requires spousal consent, such designation may be made only by paper form.

Unless Employer qualifies for and has elected the Beneficiary Confirmation for Death Benefit Claims service described below, Employer agrees to review and sign each death benefit claim form. In the event Employer submits a signed death benefit claim form for a claimant other than the beneficiary on file with Empower, if any, Empower will return the form to Employer for further instructions.

#### **4. Deferral Recordkeeping**

Employer hereby instructs and authorizes Empower to allow Participants to update their deferral elections via the website and voice response unit. Employer must provide initial deferral amounts for all Participants. Empower will forward updated deferral information to Employer according to the schedule elected by Employer.

#### **5. Loans**

Employer agrees that all loans shall be account reduction loans repaid by payroll deduction and shall be consistent with the loan policy and the procedures established by Empower from time to time. Employer instructs and authorizes Empower to process, without further Employer approval, Participant loan requests submitted through a form acceptable to Empower or through the Participant website. Principal residence loan requests must be submitted on a paper form with supporting documentation. In order to receive this service, Employer must also utilize Empower's Vesting service, if the Plan has a vesting schedule. If the Plan requires spousal consent for loans, the request must be submitted on a paper form.

#### **6. Vesting**

Employer instructs and authorizes Empower to:

1. Maintain each Participant's vesting percentage on Empower's recordkeeping system;
2. Display the Participant's vested account balance on the quarterly statements; and
3. Calculate and process withdrawals and/or loans according to the vested percentage on Empower's system.

The Plan's vesting schedule must be a standard graded or cliff schedule. If the Plan uses actual hours for calculating vesting, Employer must provide a "Years of Service" file to Empower, and must take all precautions not to duplicate hours on Empower's recordkeeping system.

#### **7. Distribution Processing for Severance of Employment or Retirement**

Employer hereby instructs and authorizes Empower to process, without Employer's further approval, Participant requests for distribution due to severance of employment for any reason other than death or disability, provided such requests are received in good order and in a manner acceptable to Empower.

In order to receive this service, Employer must also utilize Empower's Vesting service, if the Plan has a vesting schedule. If Employer has not provided a Participant's termination date or other required information, Employer instructs Empower to route the request to Employer for approval before processing the distribution. For spousal consent purposes, Employer



instructs Empower to rely on the marital status specified by the Participant in the request form.

#### **8. Voluntary In-Service DeMinimus Distributions (for Governmental 457(b) Plans Only)**

Employer hereby instructs and authorizes Empower to process, without Employer's further approval, Participant requests for voluntary in-service DeMinimus distributions, provided such requests are received in good order and in a manner acceptable to Empower.

In order to receive this service, Employer must also utilize Empower's Vesting service, if the Plan has a vesting schedule. If Employer has not provided the required information, Employer instructs Empower to route the request to Employer for approval before processing the distribution. For spousal consent purposes, Employer instructs Empower to rely on the marital status specified by the Participant in the request form.

#### **9. Required Minimum Distributions**

Empower will provide a notice and distribution form to each Participant attaining age 70 ½ or older in the current calendar year who has not taken a distribution for the current calendar year. The notice informs the Participant that required minimum distributions must begin no later than April 1 of the calendar year following the later of age 70 ½ or retirement. Empower will not initiate such distributions, but will only process such distributions upon receipt of a Participant or Employer request in good order. Each year, Empower will provide a report to Employer listing Participants who are age 70 ½ or older and whether each has taken a distribution for the calendar year. In order to receive this service, Employer must also utilize Empower's Vesting service, if the Plan has a vesting schedule.

#### **10. Beneficiary Confirmation for Death Benefit Claims**

Employer hereby instructs and authorizes Empower to process, without Employer's further approval, death benefit claim forms received in good order from beneficiaries under the Plan. Empower is instructed to determine a Participant's beneficiary pursuant to the most recent beneficiary designation available to Empower. If a Participant has not designated a beneficiary, or if no designated beneficiary survives the Participant, Employer instructs Empower to forward the claim to Employer to determine the beneficiary before processing the distribution.

Death benefit claim forms submitted without complete information or without a certified copy of the deceased Participant's death certificate or other required documentation will not be processed, and the claimant will be notified of the deficiency. Processing will continue once Empower receives all required information and documentation in good order. Claimants determined not to be beneficiaries will be notified that their claims have been rejected.

Employer shall make determinations with respect to any competing or other questionable death benefit claims.

In order to receive this service, Employer must also utilize Empower's beneficiary recordkeeping and vesting tracking services, if applicable.

#### **11. Distributions Due to Unforeseeable Emergencies (for Governmental 457(b) Plans with \$50.0 Million Assets Only)**

Employer hereby instructs and authorizes Empower to process, without Employer's further approval, all Participant requests, received in good order and in a manner acceptable to Empower, for distributions due to unforeseeable emergency resulting in a severe financial hardship to the Participant or Beneficiary that cannot be alleviated by any other means



available to the Participant. Empower shall only process such requests if they meet the safe harbor defined in the Treasury Regulations, as described below. Employer further instructs Empower to rely on any and all representations made by a Participant in a request. The following situations shall qualify for a distribution under this section:

1. An illness or accident of the Participant or Beneficiary, the Participant's or Beneficiary's spouse, or the Participant's or Beneficiary's dependent (as defined in Code §152, and for taxable years beginning on or after January 1, 2005, without regard to §152(b)(1), (b)(2) and (d)(1)(B));
2. Loss of the Participant's or Beneficiary's property due to casualty;
3. The following extraordinary and unforeseeable circumstances, if they arise as a result of events beyond the control of the Participant or Beneficiary:
  - (1) The imminent foreclosure of or eviction from the Participant's or Beneficiary's primary residence;
  - (2) The need to pay for medical expenses, including nonrefundable deductibles, as well as the cost of prescription drug medication; and
  - (3) The need to pay for the funeral expenses of a spouse or a dependent (as defined in Code §152, and for taxable years beginning on or after January 1, 2005, without regard to §152(b)(1), (b)(2) and (d)(1)(B)) of Participant or Beneficiary.

Except in extraordinary circumstances, the following are examples of situations that shall NOT qualify for a distribution under this section:

1. Purchase of real estate;
2. Payment of college tuition;
3. Unpaid rent or mortgage payments, except in the event of imminent foreclosure or eviction;
4. Unpaid utility bills;
5. Loan repayments;
6. Personal bankruptcy (except when resulting directly and solely from illness, casualty loss or other similar extraordinary and unforeseeable circumstances beyond the Participant's or Beneficiary's control);
7. Payment of taxes, interest or penalties; or
8. Marital separation or divorce.

Employer will make determinations with respect to any unforeseeable emergency distribution request that does not clearly fall within the guidelines set forth above. In the event of any changes to applicable law, including the safe harbor defined in the Treasury Regulations, Empower may revise this authorization and instruction from time to time and without further notice to Employer. This authorization and instruction shall remain in effect until revoked by either party.

In order to receive this service, Employer must also utilize Empower's beneficiary recordkeeping and deferral recordkeeping services.

For each Participant receiving an unforeseeable emergency distribution, Plan Sponsor instructs Empower to notify Employer to suspend elective deferrals for the period required by the Plan, if any. Empower is instructed to deny any request where the unforeseeable emergency event occurred prior to the Effective Date, or more than one year prior to the date the request is received. Empower may contact Employer for direction when unusual situations arise. For each request that is denied or that cannot be processed due to its failure to satisfy an unforeseeable emergency event, Employer instructs Empower to





notify the Participant to contact Employer if the Participant wishes to appeal the determination.

## **12. Incoming Rollovers**

Employer instructs and authorizes Empower to accept, without further Employer approval, Participant requests, from active employees of Employer, for incoming rollovers to the Plan that are received in good order and in a form acceptable to Empower. Employer instructs Empower to rely on a Participant's certification, without further investigation or action by Empower, that funds being rolled into the Plan constitute an eligible rollover distribution from an eligible retirement plan within the meaning of Code §402. If other than a direct rollover, the Participant must certify that the rollover is being made to the Plan within sixty (60) days of the date the Participant received the distribution from the prior eligible retirement plan. Employer hereby represents that the Plan accepts incoming rollovers from terminated as well as active employees.

Employer instructs Empower to reject any rollover request received without proper documentation and to return any rollover amounts accompanying such request.

Employer also instructs and authorizes Empower to accept Participant requests for incoming plan-to-plan transfers, if allowed under the Plan, under the same criteria as for rollovers, as described above.

## **13. Qualified Domestic Relations Orders (QDROs)**

Employer's approved model form of QDRO for the Plan is attached to this Agreement. Employer hereby instructs and authorizes Empower to treat as qualified each QDRO received by Empower in good order using the model QDRO form, or a form that is similar in all material respects to the model QDRO form. Employer instructs Empower to process the QDRO, without Employer's further approval, by establishing a separate account for the Alternate Payee or making a lump sum distribution to the Alternate Payee. Employer instructs Empower to send a copy of each QDRO confirmation or rejection letter to Employer.

Employer further instructs Empower to process, without Employer's further approval, all requests, received in good order and in a manner acceptable to Empower, for distributions from Alternate Payee accounts established before or after the Effective Date. Employer instructs Empower to calculate any Alternate Payee's QDRO amount based solely on the Participant's account records on Empower's recordkeeping system, and to reject any QDRO that specifies a valuation date prior to the Effective Date.

If the Plan includes a Self Directed Brokerage (SDB) account and the Alternate Payee's awarded share exceeds the value of the Participant's core investment account(s) under the Plan, Empower shall notify the Participant in writing to liquidate and transfer the necessary remaining sum from the SDB into the core investment options, to enable the processing of the QDRO. If the Participant fails to transfer the necessary amount within fifteen (15) Business Days of the date of the notification, and if the necessary amount is available in the SDB money market, Employer instructs Empower to transfer such amount into the Designated Investment Option. If there are insufficient available funds in the SDB money market, Employer instructs Empower to notify the SDB provider to liquidate all of the Participant's SDB investments and to transfer the entire amount into the Designated Investment Option.

If the the Plan has existing life insurance and in the event that the sum of all other Participant assets is insufficient to satisfy a QDRO, Employer instructs Empower to instruct



any existing life insurance provider under the Plan to surrender all or a portion of the Participant's life insurance policy and to transfer the proceeds to Empower for deposit into the Participant's account for subsequent QDRO processing. The amount of the surrender shall be no more than the amount necessary to satisfy the QDRO.

Employer agrees to make determinations with respect to orders received that are not materially similar to the model QDRO form for reasons other than inclusion of a valuation date that precedes the Effective Date.

**By signing the Agreements/Signature Adoption Page, Employer agrees to all of the above provisions for the services elected by Employer on the Enhanced Plan Services Election Form.**



**Employer's approved model form of Qualified Domestic Relations Order ("QDRO") For IRC 457(b) Plans**

This is a Model Qualified Domestic Relations Order ("Model QDRO") that has been preapproved by Empower for use by the Plan for outsourced Qualified Domestic Relations Order ("QDRO") services. Although this Model QDRO conforms with Federal QDRO requirements, it may need to be revised for state and/or local law and/or the specific requirements of the Plan itself. Further, the format of the Qualified Domestic Relations Order may vary depending upon the rules of the court in which the Participant obtains the Domestic Relations Order. For these reasons, this Model QDRO should be used only by the Plan after consultation with the Plan's counsel. Any revisions to the Model QDRO must be submitted to Empower for approval for use with our outsourced QDRO services. Nothing contained in this Model QDRO shall be construed as tax or legal advice.

It is recommended that a proposed version of this order be submitted to Empower with the body of the order filled in prior to entry of this order for purposes of your obtaining Empower's preapproval of the proposed order.

Proposed and entered orders should be remitted to the Plan Recordkeeper as follows:

Great-West Retirement Services®  
P.O. Box 173764  
Denver, CO 80217-3764  
Fax # (866) 745-5766

.....COURT, CITY OF ....., COUNTY OF .....

STATE OF .....

IN RE THE MARRIAGE OF:

.....

Petitioner, )  
and )  
Respondent )

No. ....

QUALIFIED DOMESTIC RELATIONS ORDER

AND NOW, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, based on the findings set forth below,

IT IS HEREBY ORDERED, ADJUDGED AND DECREED:

1. **Parties:** The parties hereto were husband and wife, and a divorce action is in this Court at the above number. This Court has personal jurisdiction over the parties. The parties were married on \_\_\_\_\_ and divorced on \_\_\_\_\_.
2. **Participant Information:** The name, last known address, social security number and date of birth of the plan "Participant" are:





- a. Name: \_\_\_\_\_
- b. SSN: \_\_\_\_\_
- c. Address: \_\_\_\_\_
- d. Date of Birth: \_\_\_\_\_

3. **Alternate Payee Information:** The name, last known address, social security number and date of birth of the "Alternate Payee" are:

- a. Name: \_\_\_\_\_
- b. SSN: \_\_\_\_\_
- c. Address: \_\_\_\_\_
- d. Date of Birth: \_\_\_\_\_

The Alternate Payee is the Participant's former spouse. The Alternate Payee shall have the duty to notify the Plan Administrator and/or Recordkeeper of any changes in mailing address subsequent to the entry of this Order.

4. **Plan Name.** The name of the Plan to which this Order applies is the \_\_\_\_\_ Plan, (hereafter referred to as "Plan").

Any changes in the Plan Administrator, Employer, or name of the Plan shall not affect Alternate Payee's rights as stipulated under this Order.

5. **Effect of this Order as a Qualified Domestic Relations Order:** This Order creates and recognizes the existence of an Alternate Payee's right to receive a portion of the Participant's benefits payable under an employer-sponsored defined contribution plan that is qualified under Section 401 of the Internal Revenue Code (the "Code"). It is intended to constitute a Qualified Domestic Relations Order ("QDRO") under Section 414(p) of the Code.

6. **Pursuant to State Domestic Relations Law:** This Order is entered pursuant to the authority granted in the applicable domestic relations laws of \_\_\_\_\_.

7. **Provisions of Marital Property Rights:** This Order relates to the provision of marital property rights as a result of the Order of Divorce between the Participant and the Alternate Payee.

8. **Amount of Alternate Payee's Benefit:** This Order assigns to the Alternate Payee an amount equal to [choose either option 8A1 or 8A2 below]:

8A1 \$\_\_\_\_\_ of the Participant's Total Vested Account Balance under the Plan as of the date this Order is processed.

OR

8A2 \$\_\_\_\_\_(dollars and cents) or \_\_\_\_% (percent)] of the Participant's Total Vested Account Balance accumulated under the Plan as of \_\_\_\_\_ (or the closest valuation date thereto). The Alternate Payee's benefit herein awarded shall be credited with any investment income (or losses) attributable thereon from the aforesaid valuation date (or the closest valuation date thereto), until the date of transfer of the Alternate Payee's share to the Alternate Payee.

(Note to drafting attorney: The Plan's current recordkeeper is not able to determine the value of the Participant's account balance and any investment earnings and/or losses prior to \_\_\_\_\_. The parties will need to arrive at a dollar figure or



percentage of benefits payable to the Alternate Payee as of a date that is no earlier than \_\_\_\_\_. The Plan's current recordkeeper can determine the account value and calculate any earnings and/or losses from \_\_\_\_\_ through the date assets are transferred or distributed to the Alternate Payee. Keep in mind that if you must adjust the valuation date forward and a percentage is awarded to the Alternate Payee in this section, you should consider whether to adjust the Alternate Payee's awarded percentage to account for any additional contributions (and any gains/losses accruing thereon) made by or for the Participant to the account after the originally intended valuation date.)

Such Total Account Balance shall be determined after the account is reduced by the outstanding balance of the Participant's account reduction loan(s), if any, as of the valuation date specified above, such that the Account Balance shall not include the outstanding balance of any account reduction loan(s) as of the valuation date. The obligation to repay any Participant Plan loan(s) from and after the date of this Order remains solely with the Participant. Such Total Vested Account Balance shall include all amounts maintained under all of the various accounts and/or sub-accounts established on behalf of the Participant, including rollover and transfer contributions.

The Alternate Payee's portion of the benefits described above shall be allocated on a pro rata basis first from all of the core accounts and/or core investment options maintained under the Plan on behalf of the Participant other than life insurance or Self-Directed Brokerage ("SDB"), if any. The Plan shall redeem amounts from a life insurance contract, if any, issued for the Participant under the Plan only to the extent necessary to obtain the amount that this order awards to the Alternate Payee. If there are any SDB investments, and if the balance in the core investments is insufficient to satisfy the judgment, Participant must initiate a transfer of the amount needed to satisfy the judgment from the SDB into the core investments. If participant fails to initiate such a transfer, or if the transfer is insufficient to satisfy the judgment, one hundred percent (100%) of the SDB Money Market Fund will be transferred to the core investments. If the balance is still insufficient to satisfy the judgment, the entire SDB account may be liquidated and transferred to the core investments.

Unless the Alternate Payee elects an immediate lump sum distribution by the Plan at the time this Order is submitted to, and approved by, the Plan, such benefits shall also be segregated and separately maintained in a nonforfeitable Account(s) established on behalf of the Alternate Payee. This Account(s) will initially be established proportionately in the same core investment options as the Participant account. Alternate Payee may make subsequent investment selections as and when permitted under the terms of the Plan. Alternate Payee's account shall experience gains and or losses according to the investment experience of the investment options in which Alternate Payee's share is invested.

9. **Commencement Date and Form of Payment to Alternate Payee:** If the Alternate Payee so elects on an appropriate form, the benefits shall be paid to the Alternate Payee as soon as administratively feasible following the date this Order is approved as a QDRO by the Plan. Benefits will be payable to the Alternate Payee in any form or permissible option otherwise available to participants under the terms of the Plan, except a joint and survivor annuity. The Alternate Payee will be responsible for paying any applicable withdrawal charges imposed under any investment account(s) with respect to his or her share under the plan.
10. **Alternate Payee's Rights and Privileges:** On and after the date that this Order is deemed to be a QDRO, but before the Alternate Payee receives a total distribution under the Plan, the Alternate Payee shall be entitled to all of the rights and election privileges that are afforded to Plan beneficiaries, including, but not limited to, the rules regarding the



right to designate a beneficiary for death benefit purposes and the right to direct Plan investments, only to the extent permitted under the provisions of the Plan.

11. **Death of Alternate Payee:** In the event of the Alternate Payee's death prior to receiving the full amount of benefits assigned under this Order and under the benefit option chosen by the Alternate Payee, such Alternate Payee's beneficiary(ies), as designated on the appropriate form provided to the Plan or, in the absence of a beneficiary designation, the remainder of any unpaid benefits under the terms of this Order shall be paid in accordance with the terms of the Plan.
12. **Death of Participant:** Should the Participant predecease the Alternate Payee, such Participant's death shall in no way affect the Alternate Payee's right to the portion of the benefits as stipulated herein.
13. **Savings Clause:** This Order is not intended, and shall not be construed in such a manner as to require the Plan:
  - a. to provide any type or form of benefits or any option not otherwise provided under the Plan;
  - b. to provide increased benefits to the Alternate Payee;
  - c. to pay any benefits to the Alternate Payee which are required to be paid to another alternate payee under another order previously determined to be a QDRO; or
  - d. to make any payment or take any action which is inconsistent with any federal or state law, rule, regulation or applicable judicial decision.
14. **Certification of Necessary Information:** All payments made pursuant to this Order shall be conditioned on the certification by the Alternate Payee and the Participant to the Plan of such information as the Plan may reasonably require from such parties.
15. **Continued Qualified Status of Order:** It is the intention of the parties that this QDRO continue to qualify as a QDRO, as it may be amended from time to time.
16. **Tax Treatment of Distributions Made Under This Order:** For purposes Sections 402(a)(1) and 72 of the Code, or any successor Code section, any Alternate Payee who is the spouse or former spouse of the Participant shall be treated as the distributee of any distribution or payments made to the Alternate Payee under the terms of this Order, and as such, will be required to pay the appropriate federal income taxes on such distribution.
17. **Parties Responsibilities in Event of Error:** In the event that the Plan inadvertently pays the Participant any benefits that are assigned to the Alternate Payee pursuant to the terms of this Order, the Participant shall immediately reimburse the Alternate Payee to the extent that the Participant has received such benefit payments by paying such amounts directly to the Alternate Payee within ten (10) days of receipt.

In the event that the Plan inadvertently pays the Alternate Payee any benefits that are to remain the sole property of the Participant pursuant to the terms of this Order, if the Participant has experienced a distributable event under the terms of the Plan, the Alternate Payee shall immediately reimburse the Participant to the extent that the Alternate Payee has received such benefit payments by paying such amounts directly to the Participant within ten (10) days of receipt. If the Participant has not experienced a distributable event under the terms of the Plan, the Alternate Payee shall immediately return such overpayment to the Plan within ten (10) days of receipt.



18. **Effect of Plan Termination:** In the event of a Plan termination, the Alternate Payee shall be entitled to receive his or her portion of the Participant's benefits as stipulated herein in accordance with the Plan's termination provisions for participants and beneficiaries.
19. **Continued Jurisdiction:** The Court retains jurisdiction over this matter to amend this Order to establish or maintain its status as a qualified domestic relations order, as amended and the original intent of the parties as stipulated herein. The Court shall also retain jurisdiction to enter such further orders as are necessary to enforce the assignment of benefits to the Alternate Payee as set forth herein.
20. **Fee:** A processing fee of \$250.00 shall be charged one-half (\$125.00) against the Alternate Payee's share/account and one-half (\$125.00) against the Participant's remaining account. In the event that the Alternate Payee is awarded 100% of the Participant's account balance as of the date this Order is processed pursuant to this Order, the entire processing fee shall be charged to the Alternate Payee's account/share. If there are not sufficient funds in either party's account to pay that party's respective share of the fee, the difference shall be charged to the other party.

BY THE COURT:

.....  
JUDGE

.....  
Petitioner

.....  
Respondent

**GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY  
RECORDKEEPING SERVICES AGREEMENT ADDENDUM FOR  
EMPOWER PARTICIPANT EXPERIENCE**

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This Addendum to the Recordkeeping Service Agreement ("Agreement") entered into between Great-West and Employer describes certain Plan and investment education and communications materials and services, including education and planning tools through the internet and electronic delivery of plan materials. This Addendum amends or modifies anything in the Agreement to the contrary.

1. Great-West will provide Participants, with certain exceptions, access to retirement income projections through the Empower website. The Empower website will provide Participants with a tool to estimate monthly retirement income and goals based on a number of factors including the Participant's Plan assets, Plan contribution rates, and compensation data.

Great-West will provide Participants, with certain exceptions, access to Great-West's Health Cost Estimator on the Empower website. The Health Cost Estimator will provide Participants with estimated monthly health care expenses based on retirement age and certain personal health condition information provided to Great-West by Participants. All health care costs and projections will be provided by an unrelated third party vendor. Employer agrees that the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") does not apply to any personal health condition information provided to Great-West by Participants. Employer also acknowledges that such health condition information is owned by the Participant and not by Employer, and that Great-West will not disclose to Employer any health condition information provided to Great-West by Participants without the Participant's consent. Great-West agrees that, except as provided in the preceding sentence, it will otherwise treat such health condition information as Nonpublic Personal Information ("NPI") to be held in confidence under the terms of the Agreement. Employer further agrees not to use any information it obtains through the Health Cost Estimator other than for Plan purposes.

Employer represents that all of the enrollment, education, investment and planning information, materials, and tools provided by Great-West under this Addendum are appropriate for use by the Plan, and agrees that all are intended to be investment education as described in ERISA Regulation 2509.96-1 and are not investment, tax or health care advice. Employer further acknowledges that the retirement income projections and the Health Cost Estimator are subject, without limitation, to the risks and limits disclosed on the Participant website, and should not be relied on as the primary basis for medical, insurance, investment, financial, retirement or tax planning decisions.

2. Great-West will deliver plan documents and notices to participants in an electronic manner to the extent applicable as follows:
  - a. Quarterly statements will be posted to the participant website after quarter end. Participants will receive an annual notice advising them of the availability of the quarterly statement on the participant website and the right to receive a paper copy of the statement.
  - b. Plan notices to be delivered by Great-West will be delivered via email to the participant's email address as provided to Great-West by the Employer or, if the participant has affirmatively elected on the participant website, to the email address provided by the participant or, if neither, via regular mail.

By providing Great-West with a participant's email address, the Employer confirms that the participant has the effective ability to access notices delivered to such email address at work.

Participants may elect on the participant website or by contacting the Client Service Center to receive quarterly statements and plan notices via regular mail at any time.

3. Empower has partnered with an outside service provider to offer Participants the opportunity to enroll in the Empower Savings and Bill Manager, a cash-flow management solution, as part of Empower's participant experience. The Empower Saving and Bill Manager allows employees and

Participants to link any bills they want to have paid through the service, create a savings account for emergency savings or other short term savings goals, and automate a debt pay-down strategy. The remainder of any allocated amounts will stay in the user's pre-existing linked bank account. Users have full access to the funds in the savings accounts established within the service, and the user may withdraw or move those funds at any time.

Empower Retirement has integrated the service provider's offering into the Participant web experience through a dedicated link and single sign-on capabilities. Empower will share information with the service provider as necessary to streamline the user experience and to communicate with employees and Participants about the potential benefits of the service

The cost for employees and Participants that enroll in the service is \$6 per month

By signing the Agreements/Signature Adoption Page, Employer agrees to all of the above provisions.